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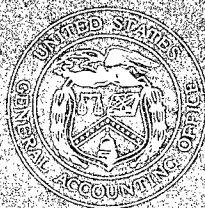
United States General Accounting Office

Report to the Honorable
Paul Simon, U.S. Senate

October 1995

WORKER PROTECTION

Federal Contractors and Violations of Labor Law



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United States
General Accounting Office
Washington, D.C. 20548

Health, Education, and
Human Services Division

B-257208

October 24, 1995

The Honorable Paul Simon
United States Senate

Dear Senator Simon:

Private sector firms receive billions of dollars annually in federal government contracts for goods and services. While these firms generally profit from their business with the federal government, some also violate federal laws that protect the rights of employees to bargain collectively. You have proposed legislation that would debar firms exhibiting a "clear pattern and practice" of violating the National Labor Relations Act (NLRA) from receiving federal contracts.¹

Given your interest in this issue, you requested that we identify the extent to which violators of NLRA include employers who have contracts with the government (referred to as federal contractors). More specifically, you asked us to identify characteristics associated with these federal contractors and their NLRA violations. You also asked us to identify ways to improve compliance of federal contractors with NLRA.

To address your request, we matched fiscal years 1993 and 1994 case data from the National Labor Relations Board (NLRB) with a database of federal contractors maintained by the General Services Administration (GSA). We verified by telephone that the matched firms had federal contracts. We then reviewed Board decisions to identify characteristics of the violations.² Finally, we analyzed the GSA database for characteristics of contracts held by these violators in fiscal year 1993. We did our work from August 1994 to September 1995 in accordance with generally accepted government auditing standards. (See app. I for a detailed discussion of our scope and methodology.)

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Results in Brief

Federal contracts have been awarded to employers who have violated NLRA. We found that 80 firms had violated the act and received over \$23 billion, about 13 percent of the \$182 billion in federal contracts

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¹The proposed Federal Contractor Labor Relations Enforcement Act of 1995 (S. 780) was introduced on May 9, 1995.

²In this report, the NLRB refers to the entire agency implementing NLRA. The Board refers to a five-member Board which, serving in a judicial capacity, hears unfair labor practice (ULP) cases.

awarded in fiscal year 1993.³ However, these contracts were concentrated among only a few violators; six violators received almost 90 percent of the more than \$23 billion in contracts.

The Board cases that we examined indicate a range of violations. The cases also show that the Board had ordered various remedies relating to the unlawful activities by firms that discouraged workers from exercising their right to bargain collectively. For example, as a remedy, the Board ordered firms to reinstate or restore workers in 35 of 88 cases (some of the 80 firms were involved in more than one case) in which workers were unlawfully fired, transferred, or not hired in the first place because of activities for or association with a union. Other remedies, such as restoring lost wages and benefits or demanding that the firm stop threatening workers with job loss, were also ordered by the Board in many of these 88 cases. Altogether, these remedies affected nearly 1,000 individual workers as well as thousands of additional workers represented in 12 bargaining units.

Fifteen of the violators (almost 20 percent of the 80 firms) might be considered more serious violators. These firms, for example, had been ordered to reinstate or restore more than 20 individual workers each or had been issued a broad cease and desist order by the Board.⁴ Of these 15 violators, we also found some that have a history of violating the act.

NLRB's enforcement of the act could be enhanced by collecting judgments against violators from federal contract awards. Coordination with GSA to identify violators with federal contracts, however, would be necessary to collect judgments in this fashion.

Background

Federal contracts involve considerable dollars, resulting in employment for many workers. GSA's data show that federal contracts in fiscal year 1993 totaled about \$182 billion. Approximately 22 percent of the labor force, 26 million workers, is employed by federal contractors and

³These totals are likely an underestimate of the number of violators and contracts they received because of the difficulties involved in a manual matching procedure. The \$23 billion in federal contracts were awarded to the parent firms of the 80 violators.

⁴The Board issues a broad cease and desist order when a firm has demonstrated a proclivity to violate NLRA or when there has been widespread or egregious misconduct. Unlike narrow cease and desist orders, a broad order prohibits a range of unlawful conduct and serves as the basis for initiating contempt proceedings if the firm commits additional violations.

subcontractors, according to fiscal year 1993 estimates of the Department of Labor's Office of Federal Contract Compliance Programs (OFCCP).⁵

Federal law and an executive order place greater responsibilities on federal contractors compared with other employers in some areas of workplace activity. For example, federal contractors must comply with Executive Order 11246, which requires a contractor to develop an affirmative action program detailing the steps that the contractor will take and has already taken to ensure equal employment opportunity for all workers, regardless of race, color, religion, sex, or national origin. In addition, the Service Contract Act and the Davis-Bacon Act require the payment of area-prevailing wages and benefits on federal contracts in the service and construction industries, respectively. NLRA, as amended, provides the basic framework governing private sector labor-management relations. The act, passed in 1935, created an independent agency, NLRB, to administer and enforce the act.⁶ Among other duties, NLRB is responsible for preventing and remedying violations of the act—unfair labor practices (ULPs) committed by employers or unions.⁷ NLRB's functions are divided between its Office of the General Counsel and a five-member board. The Office of the General Counsel, organized into 52 field offices in 33 regions, investigates and prosecutes ULP charges. The Board, appointed by the President with Senate approval, reviews all cases decided by administrative law judges (ALJ) in the regions.⁸

⁵OFCCP is responsible for ensuring compliance of federal contractors and subcontractors with their affirmative action and equal opportunity responsibilities. For more information on OFCCP, see Equal Employment Opportunity: DOL Contract Compliance Reviews Could Better Target Federal Contractors (GAO/HEHS-95-177, Sept. 28, 1995).

⁶The Board's jurisdiction extends to all firms—profit and nonprofit—engaged in interstate or foreign commerce. Major exemptions include agricultural laborers, domestics, workers covered by the Railway Labor Act, management employees, confidential employees, and supervisors.

⁷NLRB is also responsible for conducting elections to determine whether employees wish to be represented by a union. In this report, however, we focus on NLRB's duty to prevent and remedy ULPs.

⁸If a decision by an ALJ is not contested by either party, the Board simply affirms the ALJ decision so that it can be enforced. In some instances, the Board might issue a decision without an ALJ hearing, referred to as a summary judgment. While all five Board members may participate in the review of an ALJ's decision, and frequently do in cases which establish or change policy, decision-making authority in most cases is delegated to three-member panels.

Under Section 8 of the act,⁹ it is illegal for employers to interfere with workers' right to organize or bargain collectively or for employers to discriminate in hiring, tenure, or condition of employment in order to discourage membership in any labor organization; and such behavior is defined as a ULP.¹⁰ After concluding that a violation has been committed, the Board typically requires firms to cease and desist the specific conduct for which a ULP is found. The Board may order a variety of remedies, including requiring the firm to reinstate unlawfully fired workers or restore wages and benefits to the bargaining unit. In some cases, the Board will also issue a broad cease and desist order prohibiting the firm from engaging in a range of unlawful conduct.

If an employer to whom the federal government owes money (such as a federal contractor) has failed to comply with an order by the Board to restore wages or benefits, the government has the option of withholding from any amount owed to that employer (including payments under a federal contract) any equal or lesser amount that the contractor owes under the Board order. A withholding in this manner is referred to as a collection by administrative offset.¹¹

In addition to the remedies mentioned above, the Congress has considered debarring from federal contracts firms that have violated NLRA in the past. In 1977, legislation that would have debarred firms from federal contracts for a 3-year period for willfully violating NLRA was introduced but was never enacted.¹²

NLRB has several databases that track cases at different stages of processing. One of NLRB's databases, the Executive Secretary's database, tracks all cases that go before the Board. Many of these cases were first heard by an ALJ after an investigation by the Office of the General Counsel's regional staff determined the case had merit. Cases that go before the Board represent only a small percentage of all ULP cases because most cases are withdrawn, dismissed, or informally settled

⁹Section 8(a) provides that it is a violation or a ULP for an employer to (1) interfere with, restrain, or coerce employees in the exercise of their rights to self-organize; (2) dominate or interfere with the formation or administration of any labor organization; (3) discriminate in hiring, or any term or condition of employment, to encourage or discourage membership in any labor organization; (4) discharge or otherwise discriminate against an employee for filing charges or giving testimony under this act; and (5) refuse to bargain collectively with the majority representative of employees.

¹⁰Section 8(b) violations refer to ULPs committed by unions. Because unions are typically not federal contractors, we did not include 8(b) violations in this report.

¹¹Collections by administrative offset are required to follow procedures set forth in 4 C.F.R. 102.3.

¹²The proposed Labor Reform Act of 1977 (H.R. 8410) was introduced on July 19, 1977.

without being reviewed by the Board.¹³ None of NLRB's databases, including the Executive Secretary's database, contains information as to whether or not violators have federal contracts.

GSA maintains the Federal Procurement Data System (FPDS) that tracks firms receiving over \$25,000 in federal funding in exchange for goods and services provided. For fiscal year 1993, FPDS tracked information on almost 200,000 contracts totaling about \$182 billion, which were awarded to over 57,000 parent firms. FPDS contains a variety of information, including the contractor's name and location, agency the contract is with, type of industry the contractor is engaged in, and contract dollar amounts awarded. However, FPDS does not contain information on contractors' labor relations records.

A Few Labor Law Violators Received Billions in Federal Contracts

Federal contracts are awarded to employers who violate NLRA. A total of 80 firms, receiving over \$23 billion from over 4,400 contracts, had both labor violations and contracts.¹⁴ Altogether, about 13 percent of total fiscal year 1993 contracts of \$182 billion went to these 80 violators (see fig. 1). However, these contracts were concentrated among only a few violators; six violators received about \$21 billion of the more than \$23 billion in contracts.¹⁵

These totals are likely an underestimate of the number of violators and contracts they received because of the difficulties involved in the manual matching procedure we used in this analysis. This manual procedure was necessitated by the lack of a corporate identification number for firms in the NLRB case data. Because firms may split up, merge, subcontract, operate subsidiaries, or change names, the same firm might have appeared under different names in NLRB case data and the FPDS and thereby escaped

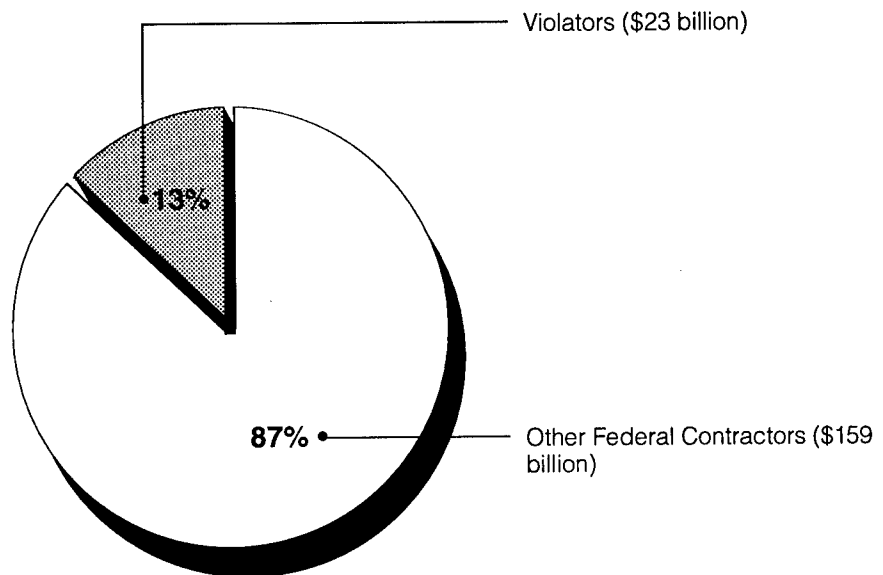
¹³We examined the timeliness of Board case processing in *National Labor Relations Board: Action Needed to Improve Case-Processing Time at Headquarters* (GAO/HRD-91-29, Jan. 7, 1991). We reported that more than a year may elapse before a case that goes before the Board is decided. (See app. I for more details on case processing.)

¹⁴In reporting on characteristics of federal contractors, including contract dollars received, we are referring here to parent firms. In some cases, the violator might be a division, subsidiary, or have some other legal relationship with the parent firm. We did not determine the extent to which violators of NLRA were federal subcontractors (firms who receive a portion of the contract award through a primary federal contractor) because we could not identify these subcontractors. Because any violation may have been committed more than a year before the Board's decision, firms we identified as violators per Board decisions issued in fiscal years 1993 and 1994 may not have been receiving federal contracts at the same time that they committed violations.

¹⁵Of about 1,500 NLRB cases decided by the Board during fiscal years 1993 and 1994, 6 percent of the cases (88) involved 80 firms (some with more than one case) with both violations and federal contracts.

our detection. Also, we were unable to verify those firms that went out of business or relocated or for which location data in NLRB case data or FPDS were incomplete or inaccurate.

Figure 1: Percent of Contract Dollars That Went to Firms Violating NLRA
(Fiscal Year 1993)



Note: Violators refer to the parent firm. In some cases, the violations may have occurred within a subsidiary or division of the parent firm.

Source: FPDS, fiscal year 1993.

Each of these six violators, listed below, who together received almost 90 percent of the more than \$23 billion in contracts awarded to all violators, received more than \$500 million in fiscal year 1993 contracts. (See app. II, fig. II.4.) They are also among the largest federal contractors, ranking in the top 20 firms receiving federal contract dollars.¹⁶

¹⁶All but the Fluor Corporation were among the top 20 federal contractors by contract dollar in fiscal year 1994 as reported in Government Executive's most recent annual report on federal purchasing. This annual report is also based on FPDS.

-
- McDonnell Douglas (\$7.7 billion),¹⁷
 - Westinghouse Electric (\$4.9 billion),
 - Raytheon (\$3.5 billion),
 - United Technologies (\$3 billion),
 - American Telephone and Telegraph Company (AT&T) (\$1.4 billion),
 - Fluor Corporation (\$508 million).¹⁸

In contrast, contract dollars were not as concentrated among all federal contractors. Firms receiving more than \$500 million in contracts got about one-half (47 percent) of all federal contract dollars.

Firms Interfered With Workers' Right to Bargain Collectively in About One-Half of the Cases

Of the 88 cases decided by the Board during fiscal years 1993 and 1994 involving federal contractors, the Board found that the firm had interfered with workers' right to organize, a Section 8(a)(1) violation, in 44 cases. In 45 of the 88 cases, the Board found that a firm had refused to bargain collectively with employee representatives, a Section 8(a)(5) violation. Thirty-three of the 88 cases involved discrimination by a firm in hiring or condition of employment, which is a violation of Section 8(a)(3). Far fewer cases involved other types of violations.¹⁹ (See app. II, fig. II.1.)

Firms Ordered to Reinstate or Restore Workers in About 40 Percent of Cases

In 35 of the 88 cases, the Board required firms to reinstate or restore workers as the remedy for violations.²⁰ In 32 of these 35 cases, firms were ordered to reinstate unlawfully fired workers. In 6 of them, firms were ordered to restore workers who had been subjected to another kind of

¹⁷Very recently, the U.S. Court of Appeals (D.C. Circuit, September 13, 1995) remanded the NLRB cases against McDonnell Douglas Corporation to the Board. The U.S. Court of Appeals asked the Board to reconsider its decision. The Board's additional review could affect McDonnell Douglas Corporation's classification as a labor law violator.

¹⁸Raytheon committed labor law violations at a Pensacola, Florida, facility of its subsidiary, Beech Aerospace Services, Inc. Similarly, United Technologies Corporation had violations at a Middletown, Connecticut, facility of its division, Pratt & Whitney Aircraft. The Fluor Corporation had violations at several facilities in Kentucky of its subsidiary, Fluor Daniel, Inc.

¹⁹A case may involve more than one type of violation. Only 4 cases involved a firm dominating or interfering with the formation or administration of a labor organization, a Section 8(a)(2) violation. In only 3 cases was the firm found to have discharged or discriminated against an employee because he or she had filed charges or given testimony under NLRA, a Section 8(a)(4) violation.

²⁰More cases involved an order to reinstate or restore workers than contained a Section 8(a)(3) violation, which refers to discrimination in hiring or condition of employment. This is because the Board might order that a firm reinstate a worker when another type of violation was committed. For example, in the case involving Shell Company (Puerto Rico) Limited, the Board found that the firm committed a Section 8(a)(5) violation by refusing to bargain with the union when it "unilaterally" changed the collective bargaining agreement, laying off or terminating seven employees in the unit. The Board ordered the firm to reinstate these employees.

unfavorable change in job status. An unfavorable change in job status could mean the worker, for example, was suspended, demoted, transferred, or not hired in the first place because of activities for or association with a union. Some cases involved both an order to reinstate fired workers and an order to restore workers who were subjected to another kind of unfavorable change in job status. (See app. II, fig. II.2.)

In 44 of the 88 cases, the Board ordered the firm to pay back wages to affected workers. The Board ordered the firm to restore benefits in 28 cases. In most cases, back wages or benefits were owed to individual workers who had been illegally fired or subjected to another kind of unfavorable change in job status. However, in 12 cases, wages or benefits were ordered restored to all workers in the bargaining unit because the firm illegally failed to pay wages or benefits as required under its contract with the union. Some cases involved both a remedy for individual workers owed back wages or benefits as well as the same type of remedy for the entire bargaining unit. (See app. II, fig. II.2.)

The Board also ordered other types of remedies in many of these 88 cases. For example, in 33 cases, the Board ordered the firm to bargain with the union.²¹ In 24 cases, firms were ordered to stop threatening employees with the loss of the job or the shutdown of the firm. Firms were ordered in 33 cases to stop other kinds of threats, such as interrogating employees and circulating lists of employees associated with the union. To facilitate the bargaining of a contract, the Board ordered firms to provide information to the union in 16 cases. (See app. II, fig. II.3.)

Nearly 1,000 Individual Workers Directly Affected by Violations and Remedies

Nearly 1,000 individual workers and thousands of additional workers represented in 12 bargaining units were directly affected by violations of the act in these 88 cases. During fiscal years 1993 and 1994, the Board ordered firms to reinstate or restore 761 individual workers to their appropriate job position. These workers had either been fired or experienced another kind of unfavorable change in job status; for example, they were transferred or not hired. These workers are included among those who were paid back wages or had benefits restored. Altogether, 801 individual workers were paid back wages and 462 workers had benefits restored because of Board-ordered remedies. In addition, the

²¹The Board's decision might also declare that the firm must recognize the union or honor the bargaining agreement.

Board ordered firms to restore wages and benefits to contract levels for thousands of workers represented in 12 bargaining units.²²

Characteristics of Federal Contractors That Violated NLRA

Most of the contracts awarded to violators in fiscal year 1993 came from the Department of Defense and went to firms primarily engaged in manufacturing. The violations occurred in facilities owned or associated with parent firms that typically had more than 10,000 employees or over \$1 billion in annual sales.

About \$17 billion in contracts that went to violators came from the Department of Defense, accounting for 73 percent of such contracts. In addition to Defense, significant contract dollars were awarded to violators by the Department of Energy (\$3.7 billion), National Aeronautics and Space Administration (\$1.2 billion), and GSA (\$702 million). Similarly, these four agencies were the source of most contract dollars (88 percent) to all federal contractors. However, a higher percentage of contract dollars awarded to violators came from the Departments of Defense and Energy as compared with that awarded to all federal contractors from these two agencies. (See app. II, fig. II.5.)

Most contract dollars—\$15.6 billion or 67 percent—went to violators who were primarily engaged in manufacturing.²³ An examination of more detailed violators' industry codes shows that the highest percentage of contract dollars in manufacturing went toward the production of aircraft parts, guided missiles, and space vehicles. Although manufacturing is the industry in which most violators are engaged, a significant percentage of contract dollars—25 percent, about \$6 billion—went to companies primarily engaged in providing services.²⁴ As is the case for violators, most contract dollars to all federal contractors went to firms in the

²²For many of the cases, we were unable to determine the total number of workers affected by Board-ordered remedies involving an entire bargaining unit. This is because NLRB officials told us that they did not have reliable data on the number of employees in bargaining units for which remedies were ordered. However, some of these bargaining units affected by Board-ordered remedies are quite large. For example, the Board ordered Pratt & Whitney Aircraft, a division of United Technologies Corporation, to pay raises owed as a result of revised job evaluations to all workers in the bargaining unit of the firm's Middletown, Connecticut, plant. The bargaining unit included about 2,000 workers at that time.

²³FPDS uses the Standard Industrial Classification (SIC) codes—a federal classification system—in order to describe the type of industry in which the firms receiving federal contracts are engaged. Firms can be classified by 11 major groups—including mining, construction, manufacturing, and services.

²⁴We followed the SIC classification system in defining services. Services include hotel and motels, personal services such as drycleaning, business services such as advertising agencies, auto and other repair services, motion pictures, amusement and recreation services, health services, legal services, educational services, and social services.

manufacturing and services industries. However, a lower percentage of contract dollars to all federal contractors went to manufacturing (47 percent) as compared with violators (67 percent). (See app. II, fig. II.6.)

Many violations occurred in facilities owned by firms that had over 10,000 employees or \$1 billion in annual sales as of fiscal year 1994.²⁵ Of the 77 violators for which data on workforce size were available, 35 had more than 10,000 employees. By contrast, only 22 violators had 500 or fewer employees and still fewer (5) were so small as to have 25 or fewer employees. For those 64 violators for which annual sales information was available, 32 had more than \$1 billion in sales annually. Ten firms had annual sales greater than \$10 billion. (See app. II, figs. II.7 and II.8.)

Fifteen Firms Classified as More Serious Labor Law Violators

Violations of NLRA vary in their severity. Given this variation, we identified 15 firms that might be considered more serious violators using criteria we developed based on our review of Board decisions. These firms meet one or more of the criteria listed below:

- Received a comprehensive Board-ordered remedy. We considered a remedy to be comprehensive if the firm received a broad cease and desist order or a Gissel bargaining order,²⁶ or was ordered to cease and desist 10 or more types of unlawful actions against workers.²⁷
- Took actions affecting the job status of more than 20 workers.
- Had a history of labor law violations.

We identified a total of 12 of the 15 firms as serious violators because the Board-ordered remedy was comprehensive relative to remedies in other cases. This included four firms that received a broad cease and desist order. Cease and desist orders are typically narrow in that they prohibit continuation of the specific conduct found to be unlawful. However, in some cases, the Board issues a broad cease and desist order prohibiting the firm from engaging in a range of unlawful conduct. This may occur when a firm has demonstrated a proclivity to violate the act or when there has been widespread or egregious misconduct. The Board may also issue a

²⁵Unlike other data on federal contractors reported here, which are fiscal year 1993 data, data on workforce size and annual sales are either fiscal year 1994 or 1995 data.

²⁶A bargaining order is referred to as a Gissel bargaining order because it is based on principles established by the Supreme Court in its 1969 Gissel decision. *NLRB v. Gissel Packing Co.*, 395 U.S. 575 (1969). Although the Board may order a firm to bargain, as we found in 33 of the 88 cases we reviewed, a Gissel bargaining order is a more serious remedy.

²⁷We identified some firms as having received a comprehensive Board-ordered remedy for more than one of these reasons.

broad cease and desist order to cover all of an employer's facilities or those facilities where a union has jurisdiction if there has been a pattern or practice of unlawful conduct.²⁸

Also among the 12 firms whose Board-ordered remedy was more comprehensive are two firms that received a Gissel bargaining order. The Board imposes a Gissel bargaining order as an extraordinary remedy when the firm has committed ULPs that have made the holding of a fair election unlikely or that have undermined the union's majority and caused an election to be set aside. Also among the firms whose Board-ordered remedy was more comprehensive, we included 10 firms ordered to cease and desist 10 or more types of unlawful actions against workers. Although these cease and desist orders were narrow, the relatively high number of unlawful actions listed in the Board decision suggest that the firm may be a more serious violator.²⁹

Examples of violators whose Board-ordered remedies were comprehensive relative to remedies in other cases include Monfort of Colorado, Inc., a meat processing firm, which received a broad cease and desist order because of ULPs committed at its facility in Greeley, Colorado. Monfort of Colorado, Inc., was found by the Board to have discriminated against 258 former union employees by applying more rigorous hiring criteria and taking numerous actions against employees to discourage union activity. Waste Management, Inc. (Salt Lake Division), a firm engaged in waste pickup and disposal, received a bargaining order in addition to a broad cease and desist order. The firm had taken numerous actions against employees in a West Jordan, Utah, facility to discourage union activity and created employer-dominated committees during a union organizing drive that it then dissolved after the union lost the election. The Board ordered a Tyson Foods, Inc., facility in Dardanelle, Arkansas, that engaged in poultry processing, to cease and desist 10 or more types of unlawful actions against workers, including "directing, controlling, circulating, and assisting in the circulation of a petition" to decertify a union.

Firms were also considered to be serious violators if their violations affected the job status of more than 20 individual workers, which was true

²⁸A broad cease and desist order also serves as the basis for initiating contempt proceedings if the firm commits additional violations. By contrast, if a narrow order has been issued and the challenged conduct is not covered, an entirely new ULP proceeding may be necessary.

²⁹While an order to cease and desist 10 or more types of unlawful actions appeared to us to indicate a more serious violator, this does not trigger any special Board remedy.

for four firms.³⁰ These workers had either been unlawfully fired or subjected to some other unfavorable change in their job status; for example, not hired in the first place because of activities for or association with a union.

For example, Caterair International, a firm that caters food for commercial airlines, was ordered to reinstate 289 workers who were permanently replaced when they lawfully went on strike at three facilities in Los Angeles to protest ULPS committed by the firm. Fluor Daniel, Inc., a general contractor in the construction business, was ordered to hire 53 applicants who the firm discriminatorily refused to hire at several facilities in Kentucky because of their union affiliation. In addition, the Board ordered Fluor Daniel, Inc., to reinstate another employee who was fired because he refused to cross a picket line.

Another criterion that could identify a serious violator is whether or not the firm has a history of labor law violations. Although we were unable to systematically determine the labor relations record for each of the 80 violators, we were able to determine which of the 15 firms that we had already identified as serious violators also had a history of violations.³¹

Five of the 15 serious violators had a history of labor law violations, and 3 firms (Beverly Enterprises; Monfort of Colorado, Inc.; and Overnite Transportation Co.) had several prior Board decisions against them.³² Monfort of Colorado, Inc., for example, received another broad cease and desist order in 1987 for firing two workers because of their union activities at a facility in Grand Island, Nebraska. At this facility, Monfort of Colorado, Inc., was also found to have refused to grant contract-specified wage increases to the bargaining unit, assisted an employer-dominated committee, and promised a bonus to discourage workers' support for a union.

Beverly Enterprises, which operates nursing homes, violated the NLRA in additional facilities before its fiscal year 1993 and 1994 violations. For example, in 1986, the Board ordered Beverly Enterprises to bargain with the union and restore wages and benefits that had been unilaterally

³⁰We did not include all cases in which the entire bargaining unit was affected, in which there are often more than 20 workers. This is because NLRB officials told us that they did not have reliable data on the number of employees in bargaining units for which remedies were ordered.

³¹Limitations in the NLRB's databases made a comprehensive search and analysis for recidivist violators too time-consuming to complete during this assignment.

³²History of violations here refers to a firm found to have violated the NLRA in at least one other case since 1980.

changed at a nursing home in Waterloo, Iowa. In 1990, the Board found Overnite Transportation Co., a firm engaged in the interstate transportation of freight, to have unlawfully fired one employee at a facility in Lexington, Kentucky, because he gave testimony at a hearing before an ALJ. In 1982, the Board ordered Overnite Transportation Co. to reinstate a worker who was not recalled because of his union activities at a St. Louis facility. (See app. IV.)

Table 1: Firms Indicated by Criteria as More Serious NLRA Violators (Fiscal Years 1993 and 1994)

Firm	Received a comprehensive remedy^a	Affected job status of more than 20 workers^b	Had a history of violations^c
Bartlett Nuclear, Inc.		X	
Beaird Industries, Inc.	X		
Beverly Enterprises	X		X
Caterair International		X	
Durbin Poultry Company (Marshall)	X		
Flexsteel Industries, Inc.	X		
Fluor Daniel, Inc.		X	X
Lane Construction Company (The)	X		
Monfort of Colorado, Inc.	X	X	X
Overnite Transportation Co.	X		X
Tyson Foods, Inc.	X		
Urserly Companies, Inc.	X		
Victorian Heights Health Care Center	X		
Waste Management, Inc. (Salt Lake Division)	X		X
Windsor Castle Health Care Facilities, Inc.	X		

^aReceived a broad cease and desist order, a Gissel bargaining order, or was ordered to cease and desist 10 or more types of unlawful actions against workers.

^bOrdered to reinstate or restore more than 20 workers who had been unlawfully fired or not hired.

^cViolated NLRA in at least one other case since 1980.

Information on Federal Contractors Could Enhance NLRB Enforcement

Contract payments may be withheld from federal contractors who have failed to comply with a Board order to restore wages or benefits. This means of collection is referred to as an administrative offset.³³ NLRB officials told us that using administrative offset could help NLRB settle with violators more quickly and avoid a lengthy contempt proceeding. Administrative offset could also result in cost savings to NLRB and the government through reduced litigation as well as more timely restitution to workers. However, NLRB has not been able to use administrative offset as widely as it would like because the agency lacks information to identify which violators receive federal contracts.

Coordination between NLRB and GSA would be necessary if NLRB is to use administrative offset to enhance NLRB enforcement. Through administrative offset, NLRB could notify a contracting agency to withhold contract dollars to a violator of NLRA if the violator refuses to comply with NLRB's order in paying back wages or restoring benefits. NLRB officials told us that administrative offset could be particularly helpful to NLRB in its efforts to recover funds owed by smaller companies and companies that are being liquidated or shutting down their operations.

NLRB has not been able to use administrative offset as widely as it would like because the agency lacks the information to identify which violators had federal contracts. Currently, NLRB does not use a corporate identification number in any of its databases that could be recognized by GSA to identify violators with federal contracts. NLRB officials, however, told us that they see the importance of some form of identification number and are exploring this matter in their current efforts to develop a new database. The new database is intended to combine data across several databases that NLRB now maintains. It will track a case from the filing of a charge to the issuance of a decision or, when relevant, an appeal.

Conclusions and Recommendations

Federal contracts have been awarded to employers who have violated NLRA. We found that 80 firms violated the act and received over \$23 billion, about 13 percent of the \$182 billion in federal contracts awarded in fiscal

³³Administrative offset was successfully used recently in an NLRB case, although the offset did not involve a government contractor. The Treasury Department withheld from the payment of an award that Alaska Pulp Corporation had won against the U.S. Forest Service the same amount that NLRB determined the firm owed its employees as a result of various ULPs. The government may use administrative offset to withhold money it owes when the party to whom the money is owed has a debt to the government. It was reasoned that money owed to employees as a result of a ULP could be treated as the equivalent of a debt owed to the United States because NLRB was the only party that could legally pursue collection and NLRB was acting not as a collection agent but as the enforcer of federal labor laws.

year 1993. The Board cases that we examined indicate a range of violations committed and remedies ordered that affect nearly 1,000 individual workers and thousands of additional workers represented in 12 bargaining units. The cases involved 15 firms that might be considered more serious violators based on several criteria, including that the firm received what we considered to be a comprehensive Board-ordered remedy.

NLRB's enforcement of the act could be enhanced by collecting judgments against violators from federal contract awards. Coordination with GSA to identify violators with federal contracts, however, would be necessary if such actions are to be taken. While NLRB officials recognize the importance of being able to identify labor violators who receive federal contracts, they have yet to approach GSA because they did not know the extent to which federal contracts dollars went to violators.

We recommend that the NLRB Chairman and General Counsel and the Administrator of GSA develop an information arrangement approach to facilitate the identification of violators who receive federal contracts.

NLRB Comments

We discussed the results of our work with key officials from NLRB and have incorporated their comments where appropriate. These officials generally agreed with our methodology for identifying NLRA violators with federal contracts. They also agreed with our approach to characterizing Board cases, although they did not comment on our criteria to identify serious violators because we developed these criteria from our case review. NLRB officials also agreed with our recommendation for improving compliance of federal contractors with NLRA and told us that they have already begun to act on it. NLRB officials told us they will soon issue written guidance concerning the expanded use of administrative offset, providing NLRB regional offices specific directions for obtaining assistance from GSA in identifying federal contractors.

GSA Comments

We also discussed the results of our work with GSA officials and have incorporated their comments where appropriate. GSA officials said that they see no major difficulty in coordinating with NLRB to identify which violators receive federal contracts so that contract payments may be withheld through administrative offset. These officials, however, raised concerns that the discussion of debarment as a remedy was inadequate, failing to consider its appropriateness or implementation. We told GSA

officials that this report does not explore issues related to how debarment of federal contractors might be implemented. If the Congress determines debarment to be an appropriate response, implementation concerns such as those raised by GSA could be addressed at that time. Additionally, GSA officials suggested that the feasibility of checking firms' compliance with labor laws as part of the pre-award contract clearance process be explored.

We are sending copies of this report to the NLRB Chairman and General Counsel, the Administrator of GSA, the Secretary of Labor, the Director of the Office of Management and Budget, relevant congressional committees, and interested parties. We also will make copies available to others on request.

If you or your staff have any questions concerning this report, please call Charlie Jeszeck, Assistant Director, at (202) 512-7036 or Jackie Baker Werth, Project Manager, at (202) 512-7070. Other major contributors include Cheryl Gordon, Wayne Turowski, Ronni Schwartz, and Danah Kozma.

Sincerely yours,

A handwritten signature in cursive script that reads "Linda G. Morra".

Linda G. Morra
Director, Education and
Employment Issues

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Abbreviations

AIDS	acquired immunodeficiency syndrome
ALJ	administrative law judge
AT&T	American Telephone and Telegraph Company
CHIPS	case handling information processing system
CEC	contractor establishment code
FPDS	Federal Procurement Data System
GSA	General Services Administration
NLRA	National Labor Relations Act
NLRB	National Labor Relations Board
OFCCP	Office of Federal Contract Compliance Programs
SIC	standard industrial classification code
ULTICEC	ultimate contractor establishment code
ULP	unfair labor practice

Objectives, Scope, and Methodology

We were asked to identify the extent to which violators of NLRA include federal contractors. More specifically, we were asked to identify characteristics associated with (1) these federal contractors and (2) their NLRA violations. In addition, we were asked to identify ways to improve compliance of federal contractors with NLRA. We

- matched NLRB case data (fiscal years 1993 and 1994) with the database of federal contractors maintained by GSA, referred to as the FPDS (fiscal year 1993);
- verified by telephone that matched firms had federal contracts;
- reviewed Board decisions and U.S. Court of Appeals decisions if a Board decision was appealed to identify characteristics of the violations;
- analyzed the FPDS for characteristics of the contractors; and
- met with NLRB officials to explore ways to improve compliance of federal contractors with NLRA.

Matching Case Data From NLRB With FPDS

Background on Databases

To determine which violators of the act were federal contractors, we matched case data from NLRB with FPDS, a database of federal contractors maintained by GSA. No single database at NLRB tracks all cases from the initial charge until their final resolution. Instead, NLRB has several databases that track cases at different stages of processing. We used the Executive Secretary's database, because it tracks all cases that go before the five-member Board. Many of these cases were first heard by an ALJ after an investigation by the Office of the General Counsel's regional staff

had determined the case had merit.³⁴ We also used this database because it is small enough to manually match against the much larger FPDS.³⁵

With fiscal year 1994 data, figure I.1 shows the relatively low percentage (about 4 percent) of over 30,000 closed ULP cases that were reviewed by the Board; virtually all cases are withdrawn, dismissed, or informally settled without being reviewed by the Board.³⁶

³⁴If an ALJ decision is not contested by either party, the Board's decision only affirms the ALJ decision so that it can be enforced. In some instances, the Board might issue a decision without an ALJ hearing, referred to as a summary judgment. For example, the Board might issue a summary judgment because the firm failed to answer the Office of the General Counsel's complaint or refused to bargain in order to challenge the Board's certification of the bargaining unit (referred to as a certification test). Motions for summary judgment can only be filed in situations where there are no factual issues warranting a hearing. We included Board decisions that were summary judgments in our review if the Board found that the firm had committed ULPs.

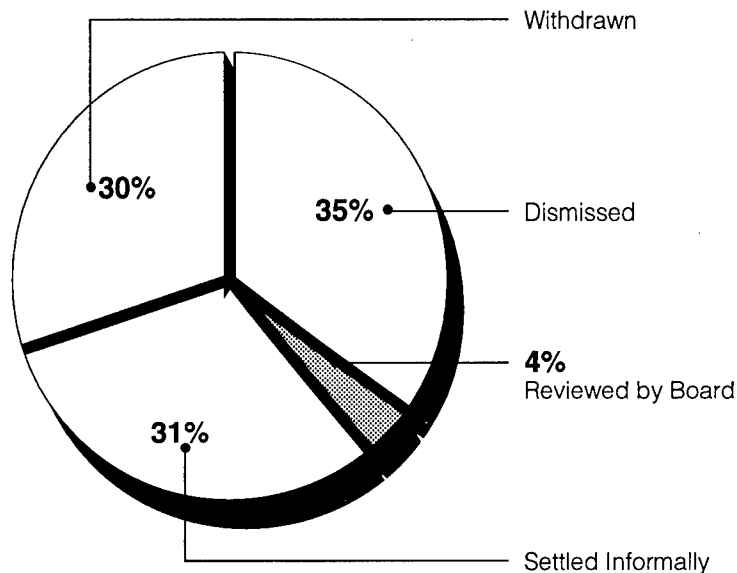
³⁵NLRB has two other databases: (1) the Case Handling Information Processing System (CHIPS) database. This database captures data on all charges filed in the regions; however, these data are not necessarily updated once a case goes to the Board for review. (2) A database that tracks all cases that were reviewed by the U.S. Court of Appeals, either because they were appealed by the firm or NLRB requested a review in order to enforce the Board's decision.

³⁶Many cases are informally settled because NLRB stresses voluntary resolution in order to improve labor-management relations and to reduce litigation and related case handling. An informal settlement consists simply of a commitment on the part of the charged party to remedy the alleged ULP in exchange for withdrawal or dismissal of the charge.

A charge may be withdrawn for several reasons. When the investigation reveals no violation of the statute or a lack of jurisdiction by the Board, the charging party will be asked to withdraw the charge. The NLRB may notify the charging party that, absent withdrawal, the charge will be dismissed. In other cases, the parties may have reached an agreement that includes the withdrawal of all charges, with the consent of the regional director.

A charge may be dismissed for numerous reasons, including insufficient evidence to support the allegations or lack of cooperation by the charging party. Any dismissed charge can be appealed to the NLRB General Counsel.

Figure I.1: Very Few ULP Cases Are Reviewed by Board



Note: These include ULP cases against both employers and unions.

Source: Fifty-Ninth Annual Report by the National Labor Relations Board for the Fiscal Year Ended September 30, 1994.

We looked at the Executive Secretary's database for decisions on ULP cases against firms that were issued by the Board over a 2-year period (fiscal years 1993-94). This came to a total of 1,493 cases. However, the violation itself may have been committed more than a year before the Board decision because of the length of time it takes for cases to be processed by NLRB.³⁷

To obtain data on federal contractors, we used FPDS, which tracks business entities receiving over \$25,000 in federal funding in exchange for goods

³⁷In National Labor Relations Board: Action Needed to Improve Case-Processing Time at Headquarters (GAO/HRD-91-29, Jan. 7, 1991), we found that decisions for most cases were made within one year from the date the case was assigned to a Board member. However, about 10 percent of the cases took from over 3 to more than 7 years to decide. Further, these data do not capture time elapsed before a case is sent to the Board for review. Our analysis included both ULP and representation cases.

and services provided.³⁸ After determining that it would have been too cumbersome to use more than one year of FPDS data, we selected fiscal year 1993 because this was the most current data available at the time we initiated this review. The FPDS for 1993 alone contained almost 200,000 contracts and 500,000 contract actions,³⁹ tracking about \$182 billion in federal contracts received by over 57,000 parent firms.⁴⁰ Because any violation may have been committed more than a year before the Board decision, firms we identified as violators per Board decisions issued in fiscal years 1993 and 1994 may not have been receiving federal contracts at the same time they committed the violation.

The Manual Matching Procedure

Because the NLRB databases did not use corporate identification numbers, this precluded an automated matching procedure, and we had to manually match these data. We manually compared each firm name in the smaller Executive Secretary's database with the larger FPDS, identifying those firm names that were identical or nearly identical. Because firms may split up, merge, subcontract, operate subsidiaries, or change names, the same firm might have appeared under different names in the Executive Secretary's database and the FPDS and thereby escaped our detection.

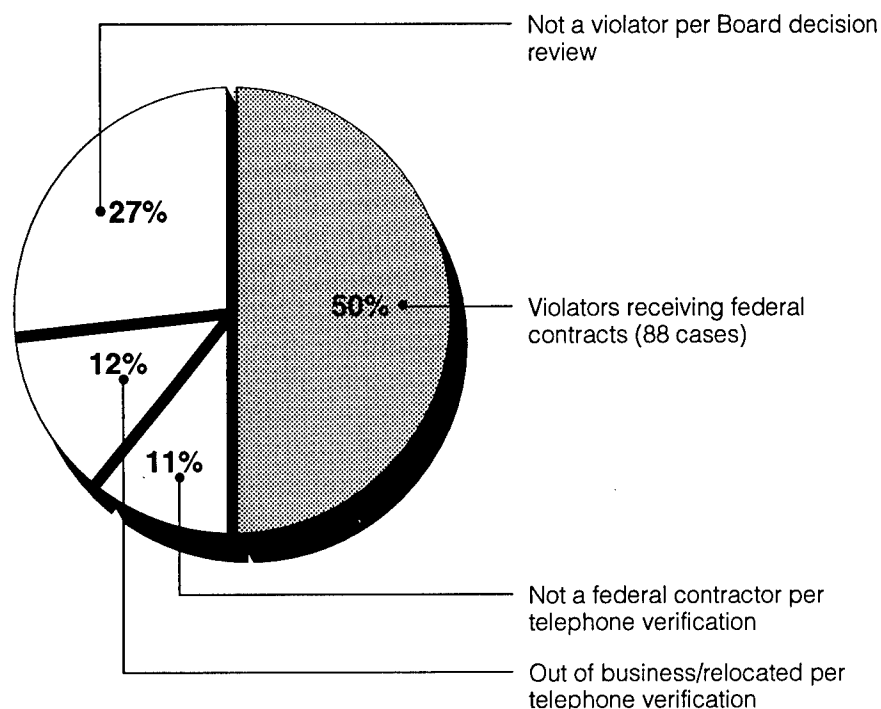
Through manually matching the databases, we identified 162 firm names that were identical or nearly identical, involving 176 cases because some firms had more than one case. We eliminated all but one-half of these cases (88 cases) involving 80 as firms with both violations and federal contracts. This represents 6 percent of the 1,493 cases decided by the Board during fiscal year 1993 and 1994. How cases were eliminated is described below. (See fig. I.2.)

³⁸This database compiles information from the Individual Contract Action Reports (SF 279) completed by staff in the contracting agency. GSA also tracks contract awards under \$25,000 in a separate database capturing only summary information, which is referred to as the Summary Contract Action Report (SF 281). We did not include this database of smaller contract awards in our analysis.

³⁹Contract actions refer to any activity (for example, purchase order, delivery order) involving appropriated funds.

⁴⁰Seven percent of contract dollars recorded in the FPDS are not linked to a parent firm.

Figure I.2: Reasons for Eliminating Board Cases From Review



Note: Twenty-seven percent of cases were eliminated because the Board decision or U.S. Court of Appeals decision was in favor of the firm. This category also includes 3 cases in which there was a formal settlement and 6 cases in which the Board's decision was only a ruling on a motion, such as a firm's motion for the case to be dismissed.

Twelve percent of cases were eliminated because the firm went out of business or relocated. This category includes firms for which location information in the Executive Secretary's database or FPDS was incomplete or inaccurate.

Eleven percent of cases were eliminated because the telephone verification revealed the firm listed in the Executive Secretary's database was not the same firm as listed in FPDS.

Factors Limiting the Detection of NLRA Violations

In addition to the likely underestimation caused by the manual matching procedure, other factors limit the number of NLRA violations detected regardless of whether or not they involve federal contractors. The cases we examined represent violations only over a 2-year period. Further, NLRA is different from most federal statutes in that, rather than imposing regulatory requirements on firms or defining benefits for workers, it establishes rights and obligations of firms, workers, and unions with

respect to collective bargaining. Neither the Board nor the General Counsel of NLRB has the authority to investigate alleged ULPS on its own initiative. The filing of a ULP charge by employees or their representatives is necessary before an investigation can be initiated, yet some workers may be unaware of their rights or choose not to exercise them. As already mentioned, many firms are involved in cases that are withdrawn or settled and our analyses do not include such cases in assessing violations committed, remedies ordered, and number of workers affected.

Verifying by Telephone to Ensure Matched Firms Had Contracts

To ensure that the firm listed in the Executive Secretary's database was the same firm listed in FPDS, we telephoned the firm at the location where the labor violation occurred. We verified that the firm name and location identified in both databases referred to the same firm.

We eliminated from our matched firms those for which the telephone call revealed that the firm listed in the Executive Secretary's database was not the same firm as listed in FPDS (11 percent of the 176 cases). We also eliminated those firms we were unable to verify because they went out of business or relocated or location information in the Executive Secretary's database or FPDS was either incomplete or inaccurate. That 12 percent of cases were eliminated for the latter reason contributes to our suggestion that we may be underestimating the number of firms that are violators. (See fig. I.2.)

All 80 firms included among our final group of violators were verified by telephone, except for one firm that refused to verify that it had federal contracts. However, we included it among our matched firms because both company name and location in the Executive Secretary's database matched exactly with FPDS.

Reviewing Board Decisions and Appeals Cases

We next reviewed the Board decisions on these matched firms to determine whether the firm was a violator as well as to analyze characteristics associated with the violations. We also reviewed all U.S. Court of Appeals decisions for all of our matched firms when appropriate so that modifications to the Board's decision were reflected in our analysis. We eliminated from this analysis those matched firms that

(1) reached a formal settlement with NLRB,⁴¹ (2) prevailed either in the Board decision or subsequently in the U.S. Court of Appeals, or (3) had a Board decision that was only a ruling on a motion by the firm or NLRB. For example, a firm might have filed a motion for dismissal of the case. All together, 27 percent of the 176 cases were eliminated after reviewing the Board decisions and appeals cases. (See fig. I.2.)

Our review of Board cases revealed the range of violations and remedies. We categorized each case by type of violation and remedy, as well as number of workers affected if this information was contained in the Board decision.⁴² This review also helped us develop criteria to identify firms that might be considered more serious violators.

In order to identify firms with a history of labor violations, we requested NLRB staff to search for Board decisions issued before fiscal years 1993 and 1994 involving the 15 firms we had identified as serious violators. Limitations of NLRB's databases made a comprehensive search for recidivists among all 80 firms too time-consuming to complete during this assignment. These data limitations also precluded NLRB from providing a complete history even for those violators we identified as serious. We reviewed the Board decisions provided by NLRB staff and checked to determine if these cases had been modified by the U.S. Court of Appeals.

Analyzing FPDS

We analyzed FPDS for characteristics of federal contractors that we found to have violations. For those matched firms that we had verified, we used variations of the firm name as they appeared in FPDS and corresponding corporate identification codes to retrieve all contracts for fiscal year 1993.⁴³ We found that it was necessary to report contract data for violators

⁴¹Neither informal or formal settlements were included in our analysis because any form of settlement is viewed as the most effective means to improve the parties' relationship and focus Board resources on other cases. A formal settlement is a written agreement containing a Board order specifying that certain remedial action will be undertaken. It is typically used when the firm has a history of prior ULPs or there is a likelihood of recurrence of the ULP charged.

⁴²NLRB staff told us that the Board decision was most reliable for capturing information on violations, remedies, and number of workers affected. While databases maintained by NLRB may have more detailed information about a case than the Board decision, these data are not necessarily updated once a case goes to the Board for review.

⁴³GSA uses corporate identification codes that are a derivative of the Dun & Bradstreet codes for identifying companies. GSA relies on two sets of numbers: (1) CEC, referring to a contractor establishment code, and (2) ULTICEC, referring to the "ultimate" parent firm of the contractor. We first retrieved all contract data by the CEC codes corresponding to variations of the firm name. We subsequently retrieved all contract data by the ULTICEC codes associated with each CEC code that had already been retrieved. In this way, we ensured that federal contract data for each violator were comprehensive by its parent firm.

at the parent firm level because (1) the location where the violation occurred did not necessarily appear in FPDS and (2) there was no way to determine which contractor establishment code (CEC) was associated with that location. However, to ensure that all contract information retrieved using GSA's corporate identification codes went to that parent firm, we checked that the names of divisions, plants, and subsidiaries that were retrieved were, in fact, affiliated with the parent firm.⁴⁴

Using FPDS, we identified characteristics of the federal contracts. We examined, for example, total contract dollars that went to each violator, federal agencies that they contracted with, the industry in which the firms are engaged, and the products and services these firms provided. Total contract dollars would not include dollars that may have been awarded by primary contractors to subcontractors with violations because we could not identify these subcontractors.

FPDS classifies the type of industry the firm is engaged in using standard industrial classification (SIC) codes, a federal classification system. To capture what products and services a federal contractor provides, FPDS includes product and services codes. In addition to major categories, more detailed codes are available under both the SIC and product and services coding systems. These detailed codes were useful to our efforts in developing key contract information by individual firm, as reported in appendix III. We also compared contract data for violators on many of these characteristics with all federal contractors.

Although workforce size and annual sales data were not included on the version of FPDS we used in this review, GSA provided these data at our request. These data are current as of fiscal year 1994.⁴⁵ Because GSA did not have data for all 80 firms, we filled in missing data on workforce size with information gathered during our telephone calls to verify matched firms. The firms provided the most current data available, typically fiscal year 1995 data. Of the 80 firms, we had data on workforce size for 77 firms and annual sales for 64 firms.

⁴⁴For this purpose, we referred to the 1993 Directory of Corporate Affiliations. (New Providence, New Jersey: National Register Publishing, 1993).

⁴⁵Data on workforce size and annual sales are provided to GSA by Dun & Bradstreet and are updated on a schedule that takes into account a firm's fiscal year as well as major changes in the corporate environment.

Exploring Ways to Improve Compliance

To explore ways to improve compliance of federal contractors with NLRA, we met with NLRB officials in its Division of Enforcement Litigation. We also met with computer and technical staff in NLRB headquarters and in its Philadelphia and San Francisco regional offices.

We conducted our work between August 1994 and September 1995 in accordance with generally accepted government auditing standards.

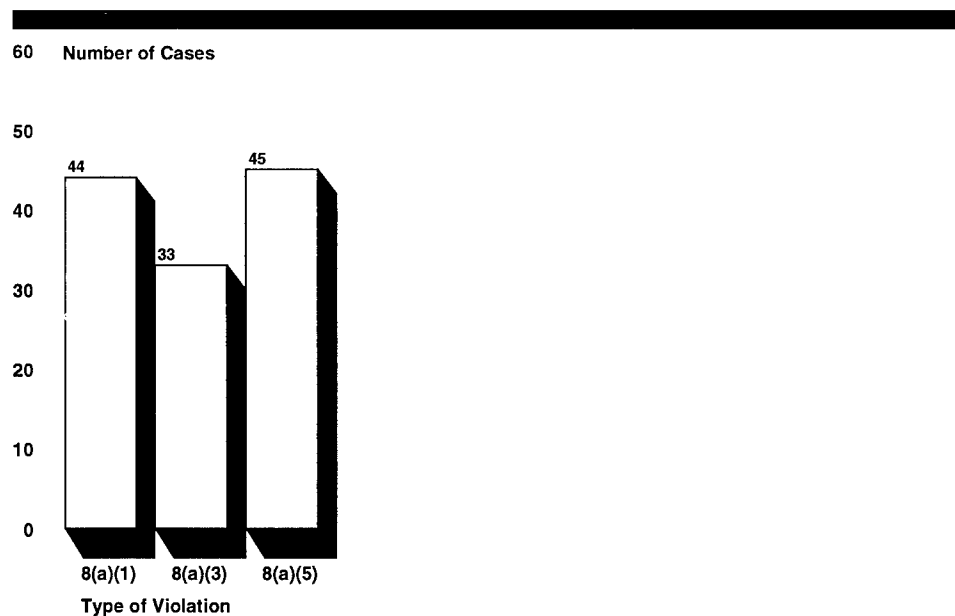
Data on Violations, Remedies, and Federal Contractors With Labor Violations

The following figures illustrate the types of violations committed, remedies ordered, and characteristics of federal contractors that violated NLRA as reflected in Board decisions issued during fiscal years 1993 and 1994. Eighty-eight NLRB cases involved 80 firms (some with more than one case) with both NLRA violations and federal contracts.

In reporting on characteristics of federal contractors, including contract dollars received, we are referring to the parent firm. The violations may have occurred at only one site or facility, possibly within a division or subsidiary of the parent firm. Only fiscal year 1993 contract data from FPDS are reported.

Figures II.1 through II.3 present data on types of violations committed and remedies ordered.

Figure II.1: Types of NLRA Violations Committed by Federal Contractors
(Fiscal Years 1993 and 1994)

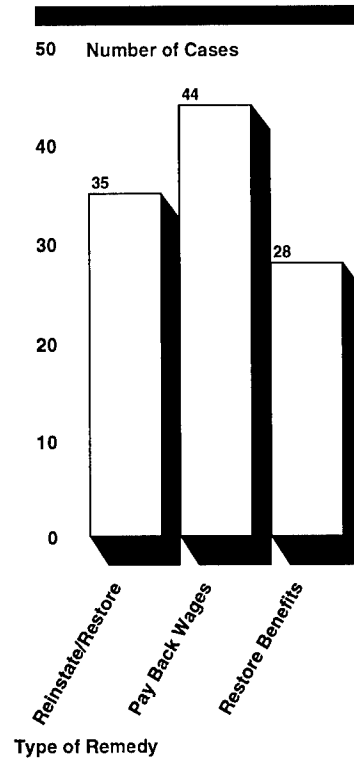


Note: Each case may involve more than one type of violation. Five percent or less of cases involved 8(a)(2) or 8(a)(4) violations.

Section 8(a) provides that it is a violation or a ULP for an employer to (1) interfere with, restrain, or coerce employees in the exercise of their rights to self-organize; (3) discriminate in hiring or any term or condition of employment to encourage or discourage membership in any labor organization; or (5) refuse to bargain collectively with the majority representative of employees.

Appendix II
Data on Violations, Remedies, and Federal
Contractors With Labor Violations

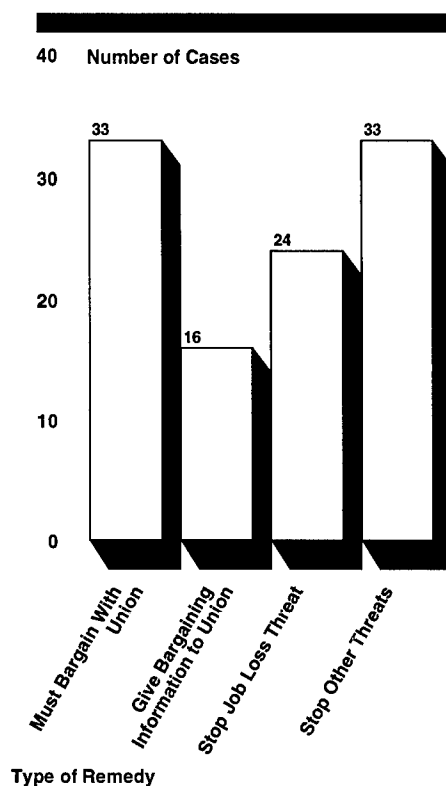
Figure II.2: Types of Board-Ordered Remedies Involving Federal Contractors (Fiscal Years 1993 and 1994)



Note: Each case may involve multiple remedies. Reinstated workers are workers who were unlawfully fired. Restored workers are workers who were subjected to another unfavorable change in job status; for example, they were transferred or not hired in the first place because of activities for or association with a union.

Appendix II
Data on Violations, Remedies, and Federal
Contractors With Labor Violations

Figure II.3: Additional Types of Board-Ordered Remedies Involving Federal Contractors (Fiscal Years 1993 and 1994)

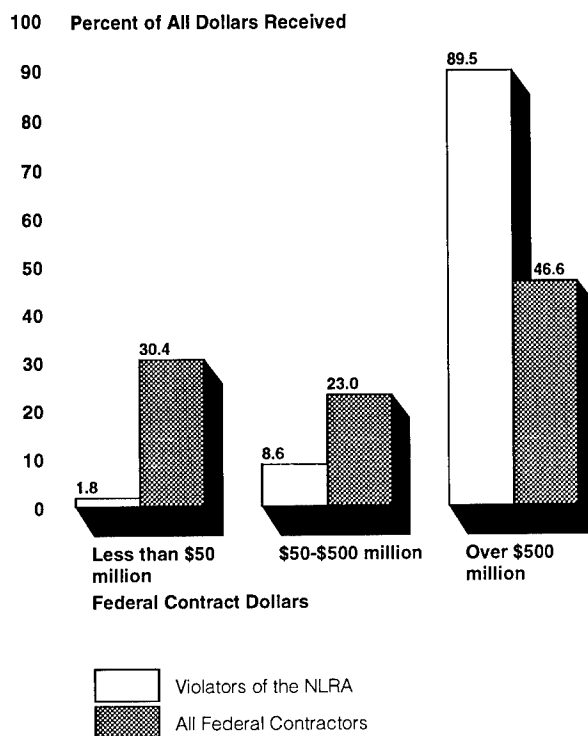


Note: Each case may involve multiple remedies.

Appendix II
Data on Violations, Remedies, and Federal
Contractors With Labor Violations

Figures II.4 through II.8 present data on the federal contractors that violated NLRA. Some of these figures compare the characteristics of the violators with all firms that contract with the federal government.

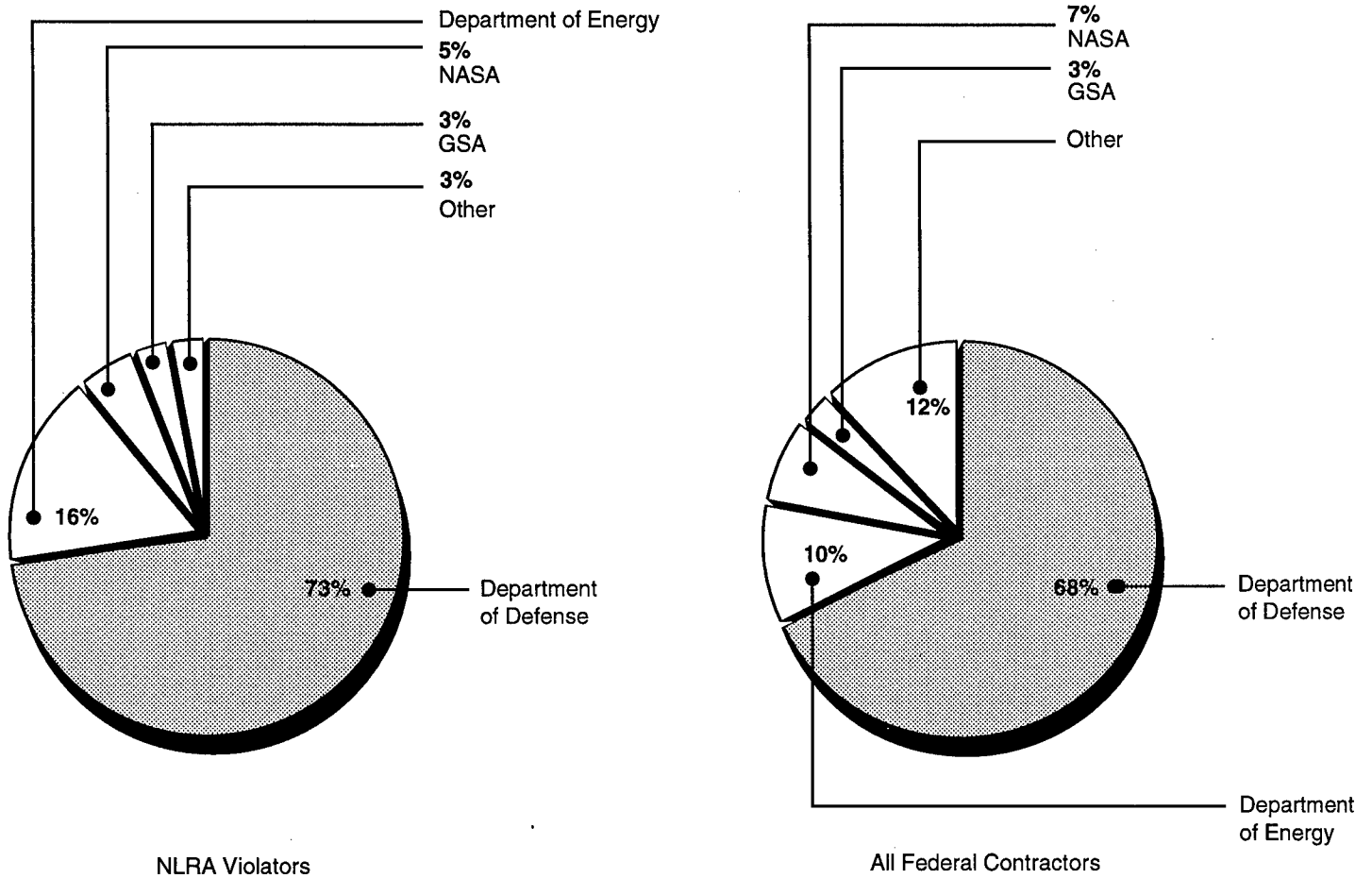
Figure II.4: Concentration of Contract Dollars Received by NLRA Violators Compared With All Federal Contractors (Fiscal Year 1993)



Note: Eighty firms have both NLRA violations and federal contracts compared with more than 57,000 federal contractors in total (both figures are by parent firm). Seven percent of contract dollars recorded in FPDS are not linked to a parent firm, possibly affecting the concentration of contract dollars to all federal contractors. Because of rounding, the percentage of contract dollars by NLRA violators does not total to 100 percent.

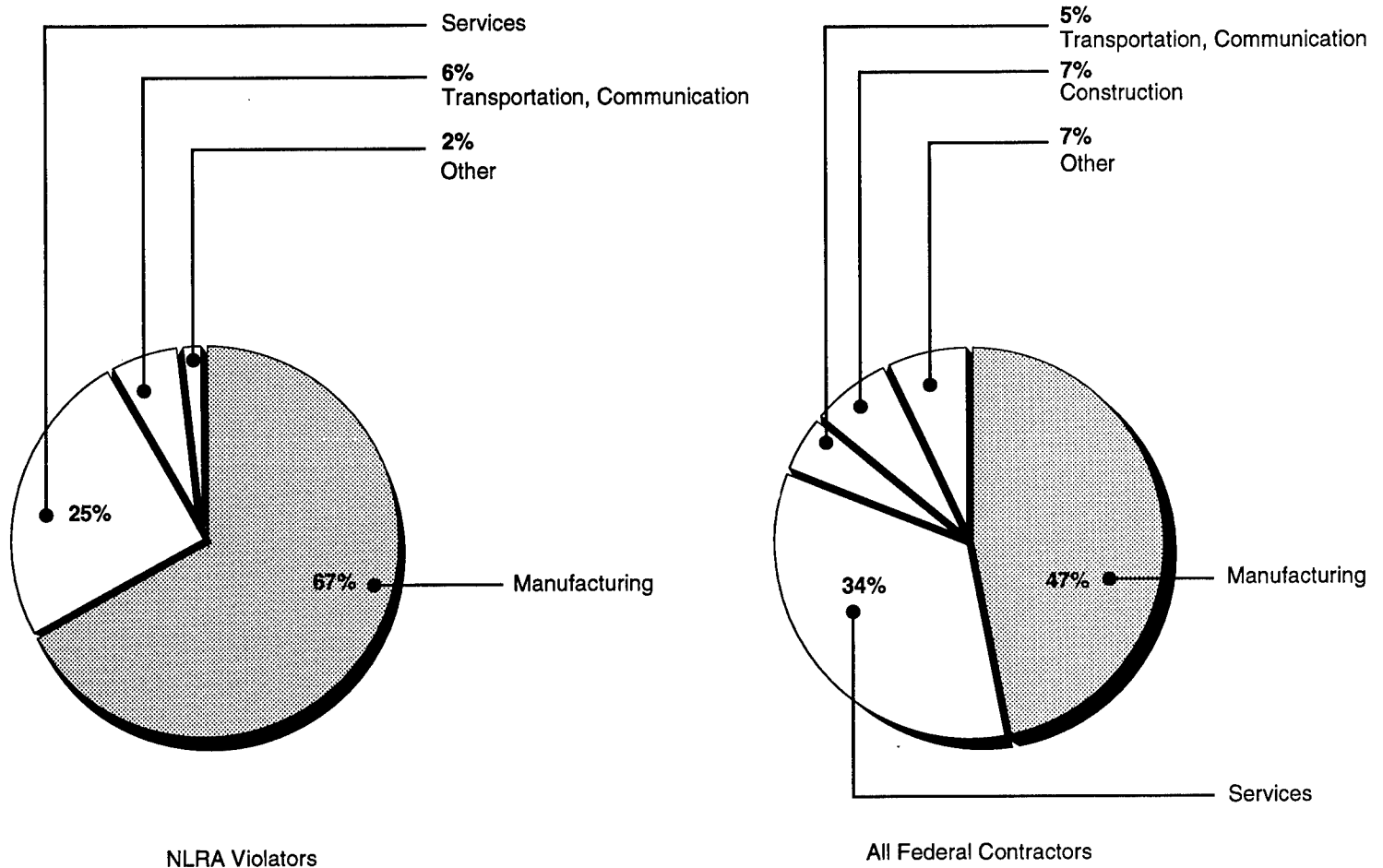
Appendix II
Data on Violations, Remedies, and Federal
Contractors With Labor Violations

Figure II.5: Percent of Contract Dollars to Federal Contractors That Violated NLRA Compared With All Federal Contractors, by Agency (Fiscal Year 1993)



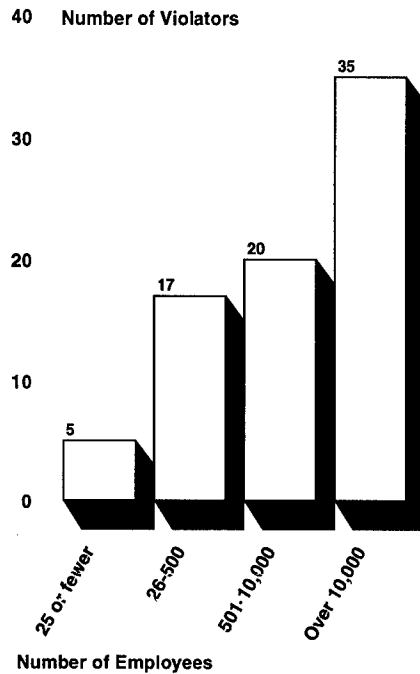
Appendix II
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Figure II.6: Percent of Contract Dollars to Federal Contractors That Violated NLRA Compared With All Federal Contractors, by Primary Industry (Fiscal Year 1993)



Appendix II
Data on Violations, Remedies, and Federal
Contractors With Labor Violations

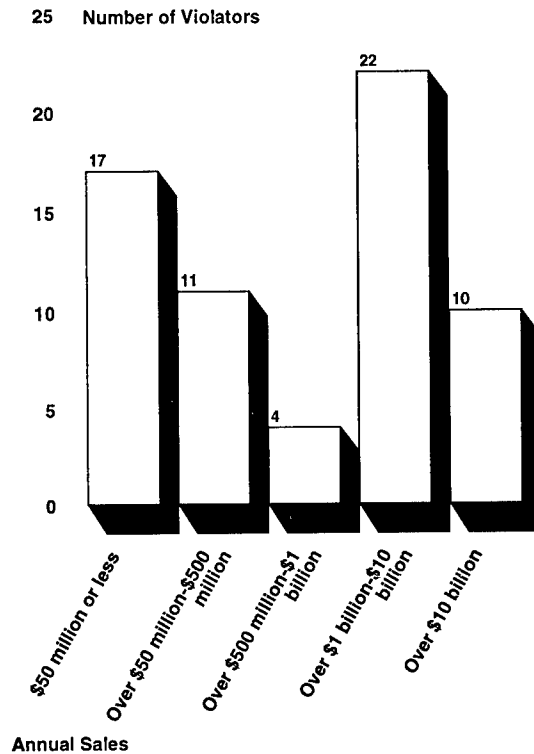
Figure II.7: Workforce Size of Federal Contractors That Violated NLRA (Fiscal Years 1994 or 1995)



Note: Based on 77 of the 80 firms with NLRA violations and federal contracts. Although workforce size data were not included on the version of FPDS we used for this review, GSA provided these data at our request. These data are current as of fiscal year 1994. Because GSA did not have data for all 80 firms, we filled in missing data on workforce size with information gathered during our telephone calls to verify matched firms. The firms provided the most current data available, typically fiscal year 1995 data.

Appendix II
Data on Violations, Remedies, and Federal
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**Figure II.8: Annual Sales of Federal
Contractors That Violated NLRA** (Fiscal
Year 1994)



Note: Based on 64 of the 80 firms with NLRA violations and federal contracts. Although annual sales data were not included on the version of FPDS we were provided, GSA provided these data at our request. These data are current as of fiscal year 1994.

Key Federal Contract and Violation Information for All 80 Firms With Labor Violations

This appendix provides information on the 80 firms that have both NLRA violations and federal contracts.⁴⁶ In reporting fiscal year 1993 contract dollars as well as primary contract agency and products and services, we are referring to the parent firm, which is identified if it is different than the name of the violator. A violation may have occurred at only one site or facility, possibly within a division or subsidiary of the parent firm. These violations apply to cases decided by the Board during fiscal years 1993 and 1994. We did not verify information on primary contract agency and products and services that is entered into FPDS by the contracting agency.

Aero Metal Forms, Inc. (17CA15539)

Contracts with the Air Force to provide airframe structural components (\$354,000).

Highlights from Board decision include:

- Laid off worker during an organizing campaign based upon its suspicion of worker's union activities.
- Discharged a second worker because she refused to fabricate evidence in order to establish a "sham" defense for the unlawful layoff of the first worker.
- Incidents occurred in Wichita, Kansas, where firm is based.

The Aerospace Corporation (31CA19441)

Contracts with the Air Force to provide research and development for space science (\$303,185,000).

Highlights from Board decision include:

- Refused to furnish information to union in connection with grievance filed by an employee.
- Incidents occurred in El Segundo, California, where the firm is based.

American Telephone and Telegraph Company (AT&T) (07CA32168)

Contracts with Defense Information Systems, GSA, and the Navy to provide telephone and/or communication services (\$1,430,462,000).

Highlights from Board decision include:

⁴⁶Eight-one violators actually appear in this listing because two violators are part of the same parent firm; Monfort of Colorado, Inc., and Northern States Beef are both part of ConAgra, Inc. Therefore, contract dollars of about \$117.4 million to ConAgra, Inc., are referred to twice in this appendix

- Refused to provide information to union about subcontracting some of its work.
- Incident occurred at a facility in Oak Park, Michigan, at one of its divisions.

Bartlett Nuclear, Inc.
(31CA18203)

Contracts with the Tennessee Valley Authority to provide maintenance services (\$120,000).

Highlights from the Board decision include:

- Abolished the jobs of 23 workers who would not abandon their economic strike, then put these workers on probation.
- Incidents occurred at a facility in Diablo Canyon, California.

Baxter Healthcare Corp.
(Baxter International, Inc.)
(11CA12772)

Contracts with the Department of Veterans Affairs to provide medical and surgical instruments, equipment, and supplies (\$14,846,000).

Highlights from Board decision include:

- Discharged two workers because of union activity.
- Incident occurred at a facility in Marion, North Carolina.

Beaird Industries, Inc.
(Trinity Industries, Inc.)
(15CA11334)

Contracts with the U.S. Army Corps of Engineers to provide ship repair (\$5,621,000).

Highlights from Board decision include:

- Discharged four workers and took numerous unlawful actions to discourage union activity during a lawful ULP strike.
- Prohibited workers from distributing pronunion materials in nonworking areas, solicited workers to sign a petition to oust the union, and threatened retaliation against union workers.
- Refused to bargain with union.
- Incidents occurred at a facility in Shreveport, Louisiana.

**Beech Aerospace
Services, Inc.
(Raytheon
Corporation)
(15CA12067)**

Contracts with the Army to provide guided missile equipment (\$3,509,586,000).

Highlights of Board decision include:

- Refused to bargain with union following union certification.
- Incident occurred at a facility in Pensacola, Florida.

**Beverly Enterprises
(06CA19444)**

Contracts with the Department of Veterans Affairs to provide nursing home care (\$10,268,000).

Highlights of Board decision include:

- Discharged 16 workers during union organizing campaigns at 23 facilities throughout the nation.
- Took numerous unlawful actions to thwart union activity, including threatening discipline against workers for union activity.
- History of violations.

**Cascade General, Inc.
(036CA06774)**

Contracts with the Navy for maintenance and repair of ships, small craft, or docks and Maritime Administration for ship repair (\$2,458,000).

Highlights from Board decision include:

- Refused to recognize union.
- Did not honor collective bargaining agreement.
- Incidents occurred in Portland, Oregon, where the firm is based.

**Castle Nursing
Homes, Inc.
(08CA25070)**

Contracts with the Department of Veterans Affairs to provide nursing home care (\$3,008,000).

Highlights from Board decision include:

- Prohibited organizational activities for any group on the company premises without permission.
- Incident occurred in Millersburg, Ohio, where the firm is based.

**Caterair International
(Caterair Holdings
Corporation)
(31CA18702)**

Contracts with the Army to provide food services (\$133,000).

Highlights from Board decision include:

- Discharged 289 workers by permanently replacing them during a lawful ULP strike.
- Circulated union decertification petitions, promising workers economic benefits if the union is decertified and threatening them with economic harm if the union is not decertified.
- Incidents occurred at three facilities in Los Angeles, California.

**Centerville Nursing
Home Corp.
(01CA30105)**

Contracts with the Department of Veterans Affairs to provide nursing home care (\$4,000).

Highlights from Board decision include:

- Refused to bargain in good faith with union by refusing to implement mandated wage increases.
- Incident occurred in Centerville, Massachusetts.

**Chevron USA
Products Co.
(Chevron Corporation)
(32CA13548)**

Contracts with the Defense Logistics Agency to provide petroleum-based liquid propellants (\$321,028,000).

Highlights from Board decision include:

- Refused to bargain with union.
- Incident occurred at a facility in Richmond, California.

**Chrysler Corporation
(25CA22090)**

Contracts with the Air Force for modification of aircraft components, GSA to provide trucks and Army to provide electronic equipment (\$369,083,000).

Highlights from Board decision include:

- Refused to bargain with the union.
- Incident occurred in a facility in Kokomo, Indiana.

**City Chemical
Corporation
(22CA18532)**

Contracts with the Navy to provide chemicals (\$67,000).

Highlights from Board decision include:

- Failed to pay wages due to 10 workers.
- Failed to bargain collectively in good faith with union.
- Did not remit union dues or remit welfare and pension payments to the union's funds.
- Incidents occurred in Jersey City, New Jersey, where the firm is based.

**Cla-Val Company
(Griswold Industries
Co.)
(21CA27747)**

Contracts with the Navy to provide powered valves (\$1,503,000).

Highlights from Board decision include:

- Discriminated against a worker by giving him a negative evaluation, recommending discipline, placing him on probation, denying him a merit pay increase, and suspending him for a week without pay based on the worker's union activity.
- Incident occurred at a facility in Perris, California.

**Comarco, Inc.
(21CA29487)**

Contracts with the Navy to provide management support services (\$23,356,000).

Highlights from Board decision include:

- Refused to bargain and provide requested information to union necessary to bargain.
- Firm is based in Yorba Linda, California.

**Community
Alternatives, Inc.
(12CA14619)**

Contracts with the Defense Communication Agency to provide maintenance services (\$3,874,000).

Highlights from Board decision include:

- Failed and refused to recognize union.
- Told workers that it would be futile for them to support a union and polled its workers concerning their union membership and support.
- Firm is based in Virginia Beach, Virginia.

**Consolidation Coal
Company
(Consol Energy Inc.)
(10CA25715)
(06CA23857)**

Contracts with the Tennessee Valley Authority to provide solid fuels (\$25,059,000).

Highlights from Board decisions include:

- Refused to furnish information to the union necessary to bargain with the firm at a facility at Tackett Creek, Tennessee.
- In a case involving a mine in Pennsylvania, Board stated that the employer has a history of violations and "in at least three cases the Board has recommended broad cease and desist language."

**Detroit Edison Co.
(07CA32263)**

Contracts with the Internal Revenue Service and Army to provide electricity (\$8,294,000).

Highlights from Board decision include:

- Bypassed the union bargaining committee and dealt directly with individual workers.
- Withdrew recognition and refused to bargain with union at one site.
- Incidents occurred in several Michigan facilities.

**Duke University
(11CA15030)**

Contracts with the National Institutes of Health for acquired immunodeficiency syndrome (AIDS) research and Navy for basic defense research (\$14,954,000).

Highlights from Board decision include:

- Did not recognize and engage in collective bargaining with the union.
- University based in Durham, North Carolina.

**Du Pont de Nemours
& Co.
(03CA17273)
(04CA18737)**

Contracts with the Defense Logistics Agency to provide petroleum-based liquid propellants (\$36,207,000).

Highlights from Board decisions include:

- Denied to a worker his right to be represented by union when he was subject to an investigation at a facility in Tonawanda, New York.
- At a facility in Deepwater, New Jersey, dominated the formation and administration of committees and unilaterally implemented the proposals

of these committees without affording the union an opportunity to bargain.

- Discriminatorily prohibited workers from using the e-mail system for distributing union literature and notices.

**Durbin Poultry
Company, Marshall
(Durbin Marshall
Food Corp.)
(15CA11268)
(15CA11528)**

Contracts with the Department of Agriculture to provide meat, poultry, or fish (\$3,499,000).

Highlights from Board decisions include:

- Discharged four workers including a supervisor who refused to commit ULPS and a worker for testifying at an NLRB hearing.
- Took numerous unlawful actions to discourage union activity including threatening workers with closing the plant if the union was selected.
- Board implemented a broad cease and desist order as "a result of the widespread and egregious unlawful acts committed by the employer."
- Incidents occurred at a facility in Hattiesburg, Mississippi.

**Erie Engineered
Products, Inc.
(03CA17405)**

Contracts with the Navy to provide special shipping and storage containers (\$1,208,000).

Highlights from Board decision include:

- Unlawfully delayed issuance of paychecks, payment of health insurance premiums, and payment of fees to 401(k) administrator.
- Incident occurred in North Tonawanda, New York, where the firm is based.

**Exide Corporation
(04CA20979)**

Contracts with the Defense Logistics Agency to provide rechargeable batteries (\$1,139,000).

Highlights from Board decision include:

- Threatened a worker with unspecified reprisals because of her union activity.
- Discriminatorily refused to give above mentioned worker's daughter part-time work.
- The firm is based in Reading, Pennsylvania.

**Fiber Products
(FPC Holdings, Inc.)
(05CA23097)**

Contracts with the Bureau of Engraving and Printing to provide fabricated materials (\$498,000).

Highlights from Board decision include:

- Terminated two workers because of union activities.
- The firm is based in Baltimore, Maryland.

**Flexsteel Industries,
Inc.
(25CA21795)
(25CA22446)**

Contracts with the Air Force to provide household furniture (\$306,000).

Highlights from Board decisions include:

- During an organizing campaign, the employer took numerous unlawful actions to discourage union activity, including threatening its workers with more onerous work rates, loss of benefits, discharge, and plant closure if they selected union.
- Withheld \$50 of workers' pay as simulated union dues, requiring workers to sign a receipt for this money acknowledging their agreement with employer's antiunion position.
- Incidents occurred at a facility in New Paris, Indiana.

**Fluor Daniel, Inc.
(Fluor Corporation)
(26CA13842)**

Contracts with the Department of Energy to repair government property (\$508,474,000).

Highlights from Board decision include:

- Discriminatorially refused to hire 53 applicants because of their union affiliation.
- Discharged one worker for refusing to cross a picket line.
- Board decision stated that "there is strong evidence of union animus in this case."
- Incidents occurred at three facilities in Kentucky.

**Harper Packing
Company, Inc.
(04CA19573)**

Contracts with the Defense Logistics Agency to provide packing and gasket materials (\$110,000).

Highlights from Board decision include:

- Threatened workers with plant closure.

- Subjected worker's work to increased scrutiny because worker filed an ULP charge.
- The firm is based in Bridgeport, New Jersey.

**Harvard Industries,
Inc.
(FEL Corporation)
(10CA25329)**

Contracts with the Navy to provide electronic equipment (\$18,693,000).

Highlights from Board decision include:

- Discharged a worker during an organizing campaign because of union activities.
- Threatened workers with loss of jobs if the union successfully organized the workers.
- Incidents occurred at a facility in Sevierville, Tennessee.

**Health Care and
Retirement Corp.
(01CA28519)**

Contracts with the Department of Veterans Affairs to provide nursing home care (\$4,674,000).

Highlights from Board decision include:

- Discharged five workers because of union activity.
- Interrogated a worker about her union activity and that of other workers.
- Incidents occurred in the Valley View Nursing Home in Lenox, Massachusetts.

**Hospitality Care
Center
(New Associates)
(22CA18606)**

Contracts with the Department of Veterans Affairs to provide nursing home care (\$220,000).

Highlights from Board decision include:

- Ceased to make contractually required payments to the union's welfare and legal funds, and remit dues and initiation fees to union.
- Incident occurred in Newark, New Jersey, where the firm is based.

**International Paper
Company
(11CA14781)**

Contracts with GSA to provide stationery and record forms (\$32,183,000).

Highlights from Board decision include:

- Interrogated and harassed workers regarding union activities during an organizing campaign.
- Incident occurred at a facility in Raleigh, North Carolina.

Kaydon Corporation
(07CA33792)

Contracts with the Army to supply bearings (\$8,341,000).

Highlights from Board decision include:

- Refused to supply the union with requested information necessary to bargain.
- Incident occurred at a facility in Muskegon, Michigan.

Keydata Systems, Inc.
(09CA30895)

Contracts with the Internal Revenue Service to provide data entry services (\$5,311,000).

Highlights from Board decision include:

- Refused to bargain with the union.
- Incident occurred at a facility in Beckley, West Virginia.

Laidlaw Waste Systems
(Laidlaw, Inc.)
(27CA11621)

Contracts with the Defense Logistics Agency to remove hazardous waste and the Department of the Army to maintain or repair structures (\$55,711,000).

Highlights from Board decision include:

- Refused to reinstate five workers to their prestrike positions when they offered to return to work.
- Incident occurred at facilities in Sandy and Pleasant Grove, Utah.

Lane Construction Company
(Lane Industries, Inc.)
(05CA22885)

Contracts with the U.S. Army Corps of Engineers to construct dams and other facilities (\$15,967,000).

Highlights from Board decision include:

- Discharged three workers for their union activities.

- Opposed the union's attempt to organize and represent workers by threatening workers with a reduction in wages if they selected the union and intimidating workers in other ways.
- The Board issued a bargaining order because the "coercive and discriminatory conduct has interfered with the holding of a fair and free election."
- The firm is based in Meriden, Connecticut.

**Laro Maintenance
Corp.
(29CA15196)**

Contracts with GSA to provide maintenance or repairs of mechanical equipment (\$7,986,000).

Highlights from Board decision include:

- Refused to hire 13 incumbent workers for a new work location because these workers were represented by a union.
- Incident occurred at several facilities in New York.

**Leach Corporation
(Leach International,
Inc.)
(21CA28385)**

Contracts with the Air Force to provide electrical and electronic equipment (\$2,981,000).

Highlights from Board decision include:

- Refused to provide the union with requested information necessary to bargain and to recognize the union.
- Incident occurred at facilities in Los Angeles and Buena Park, California.

**Leon's Maid &
Janitorial Service,
Rosie M.B.
(27CA11740)**

Contracts with the Federal Aviation Administration to provide custodial and janitorial services (\$161,000).

Highlights from Board decision include:

- Failed to bargain in good faith with the union.
- Incident occurred at a facility in Aurora, Colorado.

Long Distance
USA/Sprint
(Sprint
Communications Co.)
(18CA11922)

Contracts with GSA for telephone and/or communication services (\$229,952,000).

Highlights from Board decision include:

- Refused to approve posting of union-related material on a bulletin board.
- Incident occurred at a facility in Winona, Minnesota.

Loyola University
Medical Center
(13CA31714)

Contracts with the National Institutes of Health to provide biomedical research (\$448,000).

Highlights from Board decision include:

- Threatened workers with unspecified reprisals if they engaged in protected concerted activity.
- The medical center is located in Maywood, Illinois.

Marriott Corporation
(02CA24526)
(31CA19652)

Contracts with the Air Force to provide building maintenance services (\$7,066,000).

Highlights from Board decisions include:

- Suspended and then discharged three workers in a facility in Palisades, New York, during an organizing campaign because of union involvement.
- Promised improved wages, benefits, and remedies to grievances to discourage worker support for union.
- Prohibited workers from wearing union insignia at a facility in Los Angeles, California.

McDonnell Douglas
Corporation⁴⁷
(21CA27479)

Contracts with the Navy and Air Force to provide aircraft (\$7,654,628,000).

Highlights from Board decision include:

- Transferred 32 workers out of the bargaining unit at a facility in Huntington Beach, California, without obtaining the union's agreement.

⁴⁷ Very recently, the U.S. Court of Appeals (D.C. Circuit, September 13, 1995) remanded the NLRB cases against McDonnell Douglas Corporation to the Board. The U.S. Court of Appeals asked the Board to reconsider its decision. The Board's additional review could affect McDonnell Douglas Corporation's classification as a labor law violator.

**Midwest Canvas
Corporation
(13CA31860)**

Contracts with the U.S. Army Corps of Engineers to provide plastics and other fabricated materials (\$148,000).

Highlights from Board decision include:

- Refused to execute the agreement made with union.
- Incident occurred in Chicago, Illinois, where the firm is based.

**Millard Processing
Services, Inc.
(17CA15133)**

Contracts with the Defense Logistics Agency to provide meat, poultry, or fish (\$48,000).

Highlights from Board decision include:

- Unilaterally changed the wages, hours, and other terms and conditions of employment during an organizing campaign.
- Threatened workers with plant closure if union succeeded in organizing workers.
- Incidents occurred in Omaha, Nebraska, where the firm is based.

**Monarch Sidney
(Monarch Machine
Tool Co.)
(09CA30350)**

Contracts with the Air Force to provide automated data processing input, output, and storage devices (\$3,938,000).

Highlights from Board decision include:

- Refused to bargain with the union.
- Unilaterally implemented a new attendance policy without negotiating with union.
- Incidents occurred in Sidney, Ohio, where the firm is based.

**Monfort of Colorado,
Inc.
(ConAgra, Inc.)
(27CA07742)**

Contracts with the Department of Agriculture to provide meat, poultry, or fish (\$117,414,000).

Highlights from Board decision include:

- Discriminated against 258 former union workers by applying more rigorous hiring criteria when plant reopened in Greeley, Colorado.
- Took numerous unlawful actions against workers to discourage union activity, including threatening to close plant.

Appendix III
Key Federal Contract and Violation
Information for All 80 Firms With Labor
Violations

- Board issued a broad cease and desist order because of the nature and extent of violations.
 - Election set-aside because of firm's conduct.
-

NCR Corporation⁴⁸
(09CA30321)
(09CA30467)

Contracts with the Department of the Army to provide ADP software (\$3,828,000).

Highlights from Board decisions include:

- Prohibited workers from either distributing or posting union literature during an organizing campaign.
 - Created, dominated, assisted, and interfered with worker satisfaction councils.
 - Incidents occurred in Dayton, Ohio, where the firm is based.
-

New England
Telephone &
Telegraph Company
(NYNEX Corporation)
(31CA28028)

Contracts with the Department of the Army to provide telephone and communication services (\$3,391,000).

Highlights from Board decision include:

- Failed and refused to supply the union with requested information necessary to bargain.
 - The firm is based in Boston, Massachusetts.
-

Northern States Beef
(ConAgra, Inc.)
(30CA12183)

Contracts with the Department of Agriculture to provide meat, poultry, or fish (\$117,414,000).

Highlights from Board decision include:

- Refused to bargain with the union.
 - Incident occurred at a facility in Edgar, Wisconsin.
-

⁴⁸Although NCR Corporation is a subsidiary of AT&T, we listed it separately both because violations were committed within each firm and contract dollars to NCR could be identified separately from those going to AT&T.

Ore-Ida Foods, Inc.
(Heinz, H.J. Company)
(30CA12558)

Contracts with the Department of Agriculture to provide meat, poultry, or fish (\$19,721,000).

Highlights from Board decision include:

- Refused to bargain with union and to furnish information necessary to bargain.
- Incident occurred at a facility in Plover, Wisconsin.

Overnite
Transportation
Company
(Union Pacific
Corporation)
(09CA27618)

Contracts with the Department of Agriculture to provide candy and nuts (\$14,579,000).

Highlights from Board decision include:

- Discharged three workers during an organizing campaign because of union activity.
- Took numerous unlawful actions to discourage workers from union activity during an organizing campaign including "coercively" interrogating workers.
- Incidents occurred at a facility in Lexington, Kentucky.

Pratt & Whitney
Aircraft
(United Technologies
Corp.)
(34CA05044)

Contracts with the Air Force to provide gas turbines and jet engines and with the Navy to provide aircraft rotary wings (\$3,008,796,000).

Highlights from Board decision include:

- Failed to honor the commitments it gave the union toward resolving numerous job design grievances.
- Incident occurred at a facility in Middletown, Connecticut.

Public Service Co. of
Colorado
(27CA11650)

Contracts with the Air Force to provide electricity (\$12,424,000).

Highlights from Board decision include:

- Failed to process valid dues-checkoff authorization for three unit workers.
- Unilaterally subcontracted out work without first notifying union and giving union opportunity to bargain.
- Failed to give union timely notice of workers' status from temporary to regular worker for 6 months.

- The utility is based in Denver, Colorado.
-

**Public Service Co. of
Oklahoma
(17CA16439)**

Contracts with GSA to provide electricity (\$79,000).

Highlights from Board decision include:

- Issued a disciplinary warning to one worker because he was the union shop steward.
 - The utility is based in Tulsa, Oklahoma.
-

**Reynolds Metals Co.
(09CA29899)**

Contracts with the Defense Logistics Agency to provide packaging and packing bulk materials and with GSA for office building lease (\$5,611,000).

Highlights from Board decision include:

- Discriminated against the terms and conditions of employment by permitting a former full-time worker (who took time off to be a full-time union president) to retroactively bid and obtain a job position thereby displacing two other workers who had departmental seniority.
 - Incident occurred at facility in Louisville, Kentucky.
-

**Rheem Mfg. Co.
(Paloma Inc.)
(10CA26383)**

Contracts with GSA to provide space heating equipment and water heaters (\$106,000).

Highlights from Board decision include:

- Refused to bargain with union following its certification.
 - Incident occurred at a facility in Milledgeville, Georgia.
-

**Safeway Stores, Inc.
(27CA12819)**

Contracts with the Department of Agriculture to provide dairy foods and eggs (\$1,290,000).

Highlights from Board decision include:

- Told workers that the union steward was filing frivolous grievances.
- Interrogated a worker about whether the worker had filed a grievance.
- Told a worker that there was a "militant union segment" in the store.
- Incidents occurred in Lakewood, Colorado.

**Appendix III
Key Federal Contract and Violation
Information for All 80 Firms With Labor
Violations**

**Shell Co., Puerto Rico
Limited
(Shell Oil Company)
(24CA06335)**

Contracts with the Defense Logistics Agency to provide petroleum-based liquid propellants (\$315,957,000).

Highlights from Board decision include:

- Declared an impasse with the union, then unilaterally implemented changes in the wages, hours, and other terms of conditions including laying off or terminating seven workers.
- Refused to supply the union with information necessary to bargain.
- Unilaterally subcontracted out bargaining unit work.
- Incidents occurred in Puerto, Rico.

**Sherwin-Williams Co.
(32CA12396)**

Contracts with the Defense Logistics Agency to provide chemicals (\$1,426,000).

Highlights from Board decision include:

- Discharged a worker because of his union activity.
- Incident occurred at a facility in Emeryville, California.

**Simplex Wire & Cable
Co.
(Tyco International
Ltd.)
(01CA29899)**

Contracts with the Navy to provide fiber optic cables and other cable wires (\$17,023,000).

Highlights from Board decision include:

- Discharged a worker because of union activity.
- Prohibited workers from engaging in union activities.
- Incidents occurred at a facility in Newington, New Hampshire.

**Simpson Paper Co.
(Simpson Investment
Company)
(20CA24426)**

Contracts with GSA to provide paper and paperboard (\$266,000).

Highlights from Board decision include:

- Prohibited workers from wearing anti-employer signs or articles of clothing.
- Incident occurred at a facility in Anderson, California.

Slocomb Co., J.T.
(34CA05825)

Contracts with the Navy to provide gas turbines and jet engines (\$4,627,000).

Highlights from Board decision include:

- Laid off 11 workers due to union organizing activity.
- Threatened workers with layoff and discharge.
- Incidents occurred in South Glastonbury, Connecticut, where the firm is based.

**Somerset Welding &
Steel, Inc.**
(Riggs Industries, Inc.)
(06CA19922)

Contracts with the Army to provide vehicle brake components (\$102,000).

Highlights from Board decision include:

- Threatened workers with plant closure in the event of unionization.
- Board ordered the firm to hold a second union representation election.
- Incidents occurred at a facility in Somerset, Pennsylvania.

Sony Corp. of America
(22CA16874)

Contracts with the Army to provide radio and television equipment (\$17,341,000).

Highlights from Board decision include:

- Photographed workers and used these photographs for an antiunion videotape without the workers' consent.
- Refused to furnish the union with requested information necessary to bargain.
- Board ordered the firm to hold a new election when the circumstances permit.
- Incidents occurred in several facilities in New Jersey and New York.

TNT Skypak, Inc.
(29CA16046)

Contracts with the Bureau of Reclamation to provide administrative, mailing, and distribution services (\$32,000).

Highlights from Board decision include:

- Solicited worker grievances and promised them that the employer would resolve grievances if they did not select union.
- Interrogated workers regarding their union activities.

**Appendix III
Key Federal Contract and Violation
Information for All 80 Firms With Labor
Violations**

- The firm is based in Garden City, New York.
-

**Tri-Way Security &
Escort Service
(22CA18210)**

Contracts with GSA to provide guard services (\$793,000).

Highlights from Board decision include:

- Suspended and then discharged three workers because of union activity.
 - Incident occurred at a facility in Newark, New Jersey.
-

**Triple P Services, Inc.
(11CA15613)**

Contracts with the Army to provide custodial services and with the Navy to provide food services (\$6,349,000).

Highlights from Board decision include:

- Discharged a worker and thereafter refused to reinstate her because of her union activities.
 - Incident occurred in Mount Olive, North Carolina, where firm is based.
-

**Turner Co., Inc.,
Richard A.
(01CA31297)**

Contracts with the Department of Veterans Affairs to provide construction and other utilities (\$1,755,000).

Highlights from Board decision include:

- Refused to make payments owed to various funds on behalf of employees, including the health and welfare fund and the pension fund.
 - Incident occurred at a facility in Springfield, Massachusetts.
-

**Tyson Foods, Inc.
(26CA14731)**

Contracts with the Department of Agriculture to provide meat, poultry, or fish (\$10,791,000).

Highlights from Board decision include:

- Took numerous unlawful actions to oust the union including circulating a decertification petition.
- Unilaterally implemented changes in wages and working conditions.
- Stopped bargaining with the union.
- Incidents occurred at a facility in Dardanelle, Arizona.

**Underwriters
Laboratories, Inc.
(32CA13189)**

Contracts with the Federal Emergency Management Agency to conduct studies (\$263,000).

Highlights from Board decision include:

- Refused to bargain with union.
- Incident occurred at a facility in Santa Clara, California.

**United Parcel Service
(09CA27597)**

Contracts with the Air Force to provide air charter services for packages (\$88,504,000).

Highlights from Board decision include:

- Refused to furnish the union with requested information necessary to bargain.
- Incident occurred at a facility in Obetz, Ohio.

**Ursery Companies,
Inc.
(34CA05756)**

Contracts with the Department of Defense to provide custodial and other housekeeping services (\$512,000).

Highlights from Board decision include:

- Discharged three workers during an organizing campaign because of their support for the union and to discourage membership in the union.
- Took numerous unlawful actions against workers during an organizing campaign including warning them that its records could be changed to facilitate their discharge if they continued to support the union.
- Incidents occurred at a facility in Windsor-Locks, Connecticut.

**Victorian Heights
Health Care Center
(Health Care
Retirement Corp.
Amer.)
(34CA06079)**

Contracts with the Department of Veterans Affairs to provide nursing home care (\$14,000).

Highlights from Board decision include:

- The firm took numerous unlawful actions to discourage union activity, including refusing to hire one employee and denying another employee a wage increase because of their union activities.
- Threatened employees with changes in the terms and conditions of employment because of their union membership.

- Refused to bargain with the union.
- The current parent firm is Health Care Facilities, based in Manchester, Connecticut.

**Waste Management,
Inc.—Salt Lake
Division
(WMX Technologies)
(27CA10940)**

Contracts with the Department of Energy for the operation of research and development facilities (\$224,762,000).

Highlights from Board decision include:

- Discharged a worker and took other numerous unlawful actions to discourage union activity, including threatening workers with loss of current wages and benefits if union were voted in.
- Created employer-dominated committees during an organizing drive; then dissolved these committees after the union lost and filed objections to the election.
- Board issued a broad cease and desist order as well as an order to bargain because of the “pervasive and serious nature of misconduct.”
- Incidents occurred in West Jordan, Utah.

**Westinghouse Electric
Corp.
(05CA22392)**

Contracts with the Department of Energy for the operation of government industrial buildings (\$4,918,087,000).

Highlights from Board decision include:

- Laid off four workers.
- Failed to bargain with the union.
- Incidents occurred at a facility in Baltimore, Maryland.

**Whayne Supply Co.
(25CA22608)**

Contracts with the Tennessee Valley Authority to provide diesel engines and components (\$36,000).

Highlights from Board decision include:

- Discharged a worker because he refused to cross a picket line.
- Threatened its workers with discipline up to and including discharge if they refused to cross picket line.
- Incidents occurred at a facility in Evansville, Indiana.

**Windsor Castle Health
Care Facilities, Inc.**
(34CA06259)
(34CA04597)

Contracts with the Department of Veterans Affairs to provide nursing home care (\$1,139,000).

Highlights from Board decisions include:

- Recognized a union as the exclusive representative of workers when this union had not been selected by an "uncoerced" majority of workers.
- Threatened to discharge workers who did not want to be members of this union and discharged one worker because she refused to pay union dues when she was under no obligation to do so.
- Board issued a broad cease and desist order because of the "pervasive nature" of the violations.
- After the workers voted in another union, the employer refused to bargain or furnish requested information to this union necessary to bargain.
- Incidents occurred at a facility in New Haven, Connecticut.

Woolworth, F.W. Co.
(19CA21256)

Contracts with the Army to provide architects and general engineering services (\$113,000).

Highlights from Board decision include:

- Discriminatorily reduced worker hours and denied holiday, vacation, and sick leave requests during a period of a union's boycott.
- Threatened workers during collective bargaining negotiation, and photographed and videotaped workers engaged in union activities.
- Incidents occurred at a facility in Butte, Montana.

**Wylie Construction
Co., C.E.**
(21CA25857)

Contracts with the Navy to provide office and residential construction services (\$44,210,000).

Highlights from Board decision include:

- Interfered with the rights of union representatives to enter job site for the purpose of engaging in lawful union activity.
- Incident occurred in Tustin, California.

Case Summaries of 15 Firms With More Serious Labor Violations

Summaries of the cases involving the 15 firms that might be considered more serious violators of NLRA based on our review of Board decisions appear below. These summaries capture information from FPDS on the federal contracts that were awarded to these violators in fiscal year 1993 as well as information from Board decisions issued during fiscal years 1993 and 1994. The violations and remedies are reported as they appear in the Board decisions.⁴⁹ Modifications to the violations and remedies if the case was appealed are reflected in these summaries.

Bartlett Nuclear, Inc. (31CA18203)

The firm's headquarters is in Plymouth, Massachusetts. The violations occurred at the firm's Diablo Canyon, California, facility.

Contract Characteristics

The firm provides radiation protection services to nuclear power plants throughout the United States. During outages, Bartlett Nuclear, Inc., provides temporary workers to utility companies. All of its fiscal year 1993 federal contract dollars (\$120,000) are with the Tennessee Valley Authority.

Violations

This firm violated section 8(a)(3) and (1) of NLRA. The firm abolished the jobs of 23 workers who would not abandon their economic strike and then put these workers on probation for a year.

The firm

- threatened to abolish the jobs of workers if they did not abandon their strike and return to work;
- took this action against 23 workers;
- put these 23 workers on probation for a year, which prevented them from obtaining employment assignments for a year; and
- realizing the legal problems that might ensue, the firm subsequently told 18 of the 23 workers that the probation was rescinded. By that time, however, many of these workers missed out on job opportunities.

⁴⁹In many cases in which a statement in these summaries is attributed to the Board decision, it was actually contained in the ALJ decision that was affirmed by the Board.

Remedies

The firm was ordered to

- offer each of the affected workers immediate reinstatement to their former positions without loss of seniority and other privileges; and
- make these workers whole for lost earnings from the date of discharge to the date of a bona fide offer of reinstatement, less net interim earnings, plus interest.

Beaird Industries, Inc.
(15CA11334)

The firm's headquarters is in Shreveport, Louisiana, also where the violations occurred.

Contract Characteristics

Sixty-seven percent of its \$5.6 million in fiscal year 1993 federal contract dollars (\$3.8 million) are with the U.S. Army Corps of Engineers for ship repair. These contract dollars went to its parent firm, Trinity Industries, Inc.

Violations

The firm violated Section 8(a)(1)(3) and (5) of NLRA. The firm discharged 4 employees and took numerous unlawful actions to discourage union activity. The Board decision states that these violations occurred during the firm's attempt to "oust" the union during a lawful ULP strike.

The firm

- prohibited its workers from distributing pronoun materials;
- solicited its workers to sign a petition to oust the union as the exclusive collective-bargaining agent;
- promised its workers a pay raise if they would oust the union;
- promised its workers an increase in work hours if they would oust the union;
- promised an employee a test to qualify for a higher grade at higher pay if the employee signed a petition to oust the union;
- threatened to reduce hours if workers did not oust the union;
- interrogated workers about union activities;
- promised more work if its employees ousted the union as the bargaining representative;
- solicited its employees to encourage other employees to sign the petition to oust the union;
- implied to its employees that they would receive unspecified benefits if they ousted the union as their bargaining representative;

- promised increased benefits to nonunion employees;
- threatened retaliation to union employees and more onerous work for prounion employees if the employees ousted the union as the bargaining representative;
- discharged 4 workers due to their union activities;
- transferred one employee from the night shift to the day shift due to union activity;
- withdrew recognition from and refused to bargain with union by unilaterally removing workers from bargaining unit and reducing work hours without notifying and bargaining with the union; and
- created vacancies in a substantial percentage of jobs in a particular job classification in the bargaining unit without notifying and bargaining with the union.

Remedies

The firm was ordered to

- offer the 4 discharged workers immediate and full reinstatement to their former jobs or equivalent positions;
- make them whole for any loss of earnings and any other benefits, plus interest;
- recognize, meet, and bargain with the union;
- restore conditions to the status quo as they existed before illegally withdrawing recognition and make workers whole for any loss of earnings and benefits, plus interest; and
- accord all striking workers the rights and privileges of ULP strikers, offering strikers not heretofore reinstated immediate and full reinstatement and making them whole for any loss of earnings.

Beverly Enterprises (06CA19444)

This firm is also referred to as Beverly California Corporation. Its headquarters is in Fort Smith, Arkansas, although at the time of the violations the firm was based in Pasadena, California.

Contract Characteristics

Beverly Enterprises operates nearly 1,000 nursing home facilities throughout the nation. All of its fiscal year 1993 federal contract dollars (\$10.3 million) are with the Department of Veteran Affairs for providing nursing home services.

Violations⁵⁰

This firm violated section 8(a)(1)(3) and (5) of NLRA. The firm discharged 16 workers and took numerous unlawful actions to “thwart” union activity during organizing campaigns at 23 facilities. The Board decision states that this firm has a history of violations.

The firm

- threatened workers with disciplinary action or more onerous working conditions because of their union activity or other concerted protected activity;
- threatened workers with loss of benefits if they selected a union to represent them;
- threatened workers with discharge because of their union activity or other protected concerted activity;
- threatened workers with reprisal for testifying at a Board hearing;
- threatened to close or sell a facility if the workers selected the union as their collective bargaining representative;
- threatened to withhold a wage increase because workers selected the union as their collective bargaining representative;
- threatened workers that if they engaged in a strike, they would not be permitted to visit close relatives who are residents at the facility;
- threatened workers with the futility of selecting a union;
- forbade or attempted to forbade workers from engaging in lawful solicitation or distribution on behalf of a union on or off its property and during nonworking time or in nonwork and/or nonpatient care areas;
- transferred workers to less desirable positions because of their activities on behalf of the union;
- promised increased wages or benefits to induce workers to defeat or decertify the union;
- forbade or restricted the activities of employee union representatives in nonwork or nonpatient care areas;
- interrogated workers with regard to their union activity or the union activity of others;
- engaged in surveillance of employee’s union activities or created the impression of such surveillance among workers;
- discharged workers or imposed disciplinary measures on workers including suspensions, written warnings, oral warnings, or transfers because of their activities on behalf of or support for a union or their participating in other concerted protected activity;

⁵⁰The U.S. Court of Appeals (2nd Circuit, Feb. 28, 1994) modified the Board’s decision. This summary reflects the case after incorporating the Court of Appeals decision.

- issued less favorable performance evaluations because of their support for or activities on behalf of a union;
- failed and refused to bargain in good faith with a union selected by a majority of its workers as their collective-bargaining representative;
- unilaterally implemented changes in terms of conditions of employment of workers without prior notice or affording an opportunity to bargain to the union selected as their collective bargaining representative;
- failed and refused to meet and bargain with a union representing its employee, on request, with information necessary and relevant to its collective-bargaining functions;
- failed and refused to meet and bargain with a union representing its workers concerning workers complaints and grievances; and
- assaulted union representatives or delegates.

Remedies

The firm was ordered to

- offer full reinstatement to 16 workers (across several different centers) to their former positions or, if those positions no longer exist, to substantially equivalent positions;
- make whole the 16 workers listed above, the 17 workers unlawfully discharged on September 15, 1986 but later rehired at Fayette Health Care Center, and 4 other workers (of different centers) for any loss of pay and other benefits, with interest;
- make whole, with interest, those workers at Parkview Gardens Care Center adversely affected by the unlawful implementation of the vacation buy-out program;
- on request, furnish to the applicable union information that is relevant and necessary to its role as exclusive bargaining representative of the unit workers;
- on request, bargain in good faith concerning wages, hours, and other terms and conditions of employment with any union selected by its workers as their collective-bargaining representative; and
- set aside the representation elections at Four Chaplains Convalescent Center and Parkview Manor Nursing Home and have new elections ordered and conducted by the Regional Director for Region 7 and Region 30, respectively, whenever the latter desires it to be appropriate.

Caterair International
(31CA18702)

The firm's headquarters is in Bethesda, Maryland. The violations occurred at three facilities in Los Angeles, California.

Contract Characteristics

The firm caters food for commercial airlines. All of its fiscal year 1993 federal contract dollars (\$133,000) are with the Army for the provision of food services. These contract dollars went to its parent firm, Caterair Holdings Corporation.

Violations⁵¹

The firm violated section 8(a)(1)(3) and (5) of NLRA. The violations occurred during the firm's attempt to decertify the union. During a lawful ULP strike, 289 workers were unlawfully discharged by Caterair. The firm then brought in permanent replacements.

The firm

- circulated a petition among workers to decertify the union;
- promised economic benefits and threatened economic harm;
- told workers that they were discharged or automatically replaced if they went on strike;
- failed and refused to reinstate ULP strikers to their former or equivalent positions of employment;
- withdrew recognition from union and refused to bargain with the union; and
- unilaterally granted a wage increase without bargaining with the union.

Remedies

The firm was ordered to

- reinstate ULP strikers and pay them back pay, with interest.

**Durbin Poultry
Company (Marshall)
(15CA11268 and
15CA11528)**

The violations occurred at its facility in Hattiesburg, Mississippi.

Contract Characteristics

The firm is engaged in the processing and nonretail sale of poultry products. Ninety-five percent of its \$3.5 million in fiscal year 1993 federal contract dollars (\$3.3 million) are with the Department of Agriculture to provide poultry. These contract dollars went to its parent firm, Durbin Marshall Food Corporation.

⁵¹The U.S. Court of Appeals (D.C. Circuit, April 29, 1994) modified the Board's decision. This summary reflects the case after incorporating the Court of Appeals decision.

Violations⁵²

Four employees were discharged and numerous unlawful actions taken to discourage union activity. For both cases, the firm received a broad cease and desist order, which, as stated in one of the decisions, was for "widespread and egregious unlawful acts committed by the employer."

In case 15CA11268, this firm violated section 8(a)(1)(3) and (4) of NLRA. The firm

- interrogated workers regarding union membership, activities, and sympathies and that of their fellow workers;
- informed an employee that it would be futile for the employee to select the union as his bargaining representative;
- threatened two workers with discharge because of union activities;
- threatened one employee with plant closure if he selected the union as his bargaining representative;
- threatened workers with reduced wages and benefits if the union was selected;
- told two workers that the plant manager had ordered the supervisor to check their work to find fault with it in order to discharge them;
- solicited workers to withdraw their union support and promised them job security if they would do so;
- told workers that if they withdrew union support, they would save their jobs;
- informed workers that the employer had instructed the supervisor to harass them because of their union involvement;
- informed two workers that the personnel manager had instructed the supervisor to plant employer property on their person in order to accuse them of stealing in order to discharge them;
- informed workers that the employer was making a list of workers who wore union insignia;
- informed workers that their raises were withheld because of union activities;
- threatened to discharge an employee in order to restrain her from testifying in this hearing;
- told an employee that the workers were on such short hours because of the union;
- prohibited employee solicitation activity on its premises by permitting antiunion activities;
- reduced the workweek of its workers;

⁵²The U.S. Court of Appeals (5th Circuit, Dec. 16, 1994) modified the Board's decision. This summary reflects the case after incorporating the Court of Appeals decision.

- refused to allow one employee to stay in the breakroom or on parking lot premises beyond his working hours, and issued him a written reprimand for remaining on the premises;
- decreased the hours of two workers;
- issued written warnings to six workers;
- assigned more onerous work to and decreased the hours of one employee and harassed her;
- terminated two workers; and
- discharged a supervisor because of his refusal to commit ULPS in order to discourage workers from joining, supporting, and assisting the union or engaging in other concerted activities.

In case 15CA11528, the firm violated section 8(a)(1) and (4) of NLRA. The firm

- threatened workers with discharge because they testified in an NLRB hearing;
- threatened its workers that it was futile for them to select the union;
- threatened its workers with plant closure if they selected the union;
- interrogated an employee about his union activities; and
- discharged and refused to rehire an employee because she gave testimony in an NLRB hearing.

Remedies

In case 15CA11268, the firm was ordered to

- rescind the unlawful warnings issued to seven workers,
- rescind its unlawful discharges of two workers and the unlawful transfer and reduction of hours of one other employee and offer them full reinstatement to their former positions and make them whole for all loss of wages and benefits, with interest;
- make whole the discharged supervisor for his lost earnings and benefits from the date of his discharge until the date on which the employer first learned of his prior misconduct constituting a lawful basis for discharge, with interest; and
- make whole all workers for all losses of wages and benefits sustained by them, with interest, as a result of the unlawful reduction in work hours.

In case 15CA11528, the firm was ordered to

- offer an employee discharged for testifying at an NLRB hearing immediate and full reinstatement to her former job and make this employee whole for any loss of earnings plus interest.
-

**Flexsteel Industries,
Inc.**
(25CA21795)

The firm's headquarters is in Dubuque, Iowa. The violations occurred at the firm's New Paris, Indiana, facility.

Contract Characteristics

The firm manufactures, sells, and distributes recreational vehicle equipment and related products. Eighty-nine percent of its \$306,000 in fiscal year 1993 federal contract dollars (\$272,000) are with the Air Force for household furniture.

Violations

The firm violated Section 8(a)1 of NLRA. During an organizing campaign, the firm took numerous unlawful actions to discourage union activities, including threatening its workers with more onerous work rates, loss of benefits, discharge, and plant closure if they selected the union. The firm also withheld \$50 of workers' pay as simulated union dues.

The firm

- promised its employees improved terms and conditions if they would abandon union support;
- interrogated its employees regarding their union membership, activities, and sympathies;
- discriminatorily enforced a no-solicitation, no-distribution rule regarding union information;
- threatened its employees through its supervisors with the elimination of their benefits and requiring the union to bargain from scratch if its employees selected the union as their collective-bargaining representative;
- gave its employees the impression that their union activities were under surveillance;
- withheld \$50 of employees' pay as simulated union dues, fines, and assessments without their authorization, requiring employees to sign a receipt acknowledging their agreement with employer's position that they would be required to pay at least the amount withheld for union dues, and delaying by a day paying the amount withheld to any employee who refused to sign the receipt;

- threatened its employees with more onerous work rates and loss of pay if they selected the union;
- threatened its employees with loss of their jobs or discharge if they selected the union;
- threatened its employees with plant closure if they selected the union; and
- issued to its employees written material wherein the firm threatened its employees with loss of work and jobs if they selected the union.

Remedies

The firm was ordered to

- hold a rerun election for the union at such time deemed that a free choice on the issue of representation can be held.

Fluor Daniel, Inc.
(26CA13842)

The firm's headquarters is in Irvine, California. The violations occurred in several facilities in Kentucky.

Contract Characteristics

Fluor Daniel, Inc., is engaged in the engineering, construction, and maintenance business throughout the United States. Seventy-two percent of its \$508 million in fiscal year 1993 federal contract dollars (\$367 million) are with the Department of Energy. These contract dollars went to its parent firm, the Fluor Corporation. In this case, Fluor Daniel entered into a 3-year contract with Big Rivers Electric Company to do service and maintenance work on various power generating facilities operated by Big Rivers.

Violations

The firm violated section 8(a)(1) and (3) of NLRA. The firm discriminatorily refused to hire 53 applicants because of their union affiliation and discharged one employee for refusing to cross a picket line. The Board decision found there was "strong evidence of union animus" in this case because not one applicant whose application bore the words "voluntary union organizer" was hired, even when their qualifications and job experience were at least equal of those hired.

The firm

- threatened workers with discipline and discharge if they refused to cross a picket line;
 - discharged an employee because the employee refused to cross a picket line; and
 - failed and refused to offer positions to 53 discriminatees because they engaged in the protected concerted activity of letting the employer know they were voluntary union organizers.
-

Remedies

The firm was ordered to

- offer the employee who was discharged for refusing to cross a picket line full reinstatement to his former position and offer to the 53 individuals (refused hire because engaged in activities on behalf of a labor organization) employment in positions for which they applied or, if those positions no longer exist, to substantially equivalent positions; and
 - make the above individuals whole for any loss of pay and other benefits suffered by them.
-

**The Lane
Construction
Company
(05CA22885)**

The firm's headquarters is in Meriden, Connecticut.

Contract Characteristics

The firm is engaged in construction. Ninety percent of its \$16 million in fiscal year 1993 federal contract dollars (\$14.4 million) are with the U.S. Army Corps of Engineers to construct dams and other facilities. These contract dollars went to its parent firm, Lane Industries, Inc.

Violations

The firm violated sections 8(a)(1) and (3) of NLRA. The firm discharged three employees for their union activities and interfered with the union's attempt to organize in a variety of ways. The Board issued a bargaining order because the "coercive and discriminatory conduct has interfered with the holding of a fair and free election."

The firm

- threatened workers with a reduction in wages if they selected the union as their bargaining representative;
 - coercively interrogated workers regarding their union sympathies;
 - admonished workers that they were “putting the wood” to the employer and “biting the hand that feeds them” in seeking union representation;
 - discriminatorily laid off three workers; and
 - coercively and discriminatorily interfered with the holding of a fair and free election among the unit workers.
-

Remedies

The firm was ordered to

- offer the three discharged workers immediate and full reinstatement to their former jobs or, in the event their former jobs no longer exist, to substantially equivalent jobs;
 - make the above workers whole, with interest, for any loss of earnings they may have suffered by reason of their discriminatory layoffs; and
 - upon request, bargain in good faith with the union as the exclusive bargaining agent of its workers and if an understanding is reached, embody that understanding in a signed agreement.
-

**Monfort of Colorado,
Inc.
(27CA07742)**

The firm’s headquarters is in Greeley, Colorado, also where the violations occurred.

Contract Characteristics

This case involves the firm’s Greeley, Colorado, meat processing facility, which reopened in March 1982 after a 2-year closure. Forty-seven percent of its \$117 million in fiscal year 1993 federal contract dollars (\$55.7 million) are with the Department of Agriculture. These contract dollars went to its parent firm, ConAgra, Inc.

Violation⁵³

The firm violated section 8(a)(3) and (1) of NLRA. The firm discriminated against 258 former union employees by applying more rigorous hiring criteria when the plant reopened. The firm also took numerous unlawful actions against employees to discourage union activity. The Board issued a broad cease and desist order because of ULPS that were “numerous,

⁵³The U.S. Court of Appeals (10th Circuit, May 19, 1992) modified the Board’s decision. This summary reflects the case after incorporating the Court of Appeals decision.

pervasive, and outrageous." The Board also ordered that the election be set aside because of the firm's conduct.

The firm

- threatened workers that if the union won the election, the employer would settle the outstanding ULP case against the employer, fire the present workers, and rehire the former workers;
- told workers that, if the union lost the election, the employer would fight vigorously the outstanding ULP case against the employer, even if it took years to do so, before the employer would fire even one present employee in order to rehire a former employee;
- threatened workers that the plant would be closed if the workers selected the union to represent them;
- threatened an employee that the workers' selection of the union as their collective-bargaining representative would cause the Greeley plant to be closed again, and suggested in that context that the workers form their own organization to bargain with the employer instead of selecting the union to represent them;
- told an employee that workers who voted for the union were a bunch of troublemakers and ought to be fired;
- threatened an employee that workers would lose their profit-sharing benefits if the workers selected the union as their collective-bargaining representative;
- threatened an employee with retaliation for revealing statements made by a supervisor of the employer, which had resulted in the union's filing charges against the employer;
- told an employee that any employee who would testify against the employer in an NLRB hearing ought to be "shot or abandoned on some island";
- promised an employee free workgloves if the employee voted against the union;
- told an employee to solicit other company workers to sign a petition against the union, in the context of telling the same employee that he would be sure to get a promotion to a leadman's job;
- disparately applied its work rules to permit workers to engage in antiunion activities in the plant while not permitting workers to engage in prounion activities;
- failed to rehire or delayed in rehiring former workers because of their past union membership and activities after they had filed Monfort applications for employment;

- refused to (re)hire an employee because the union had filed a ULP charge with the NLRB against the employer with regard to the employer's prior termination of the employee; and
- applied discriminatory application of facially neutral hiring criteria to disqualify former unionized workers who sought reemployment at the employer's reopened plant.

Remedies

The firm was ordered to

- offer an employee immediate and full reinstatement to his former job, or if that job no longer exists, to a substantially equivalent position, and make him whole for any loss of earnings and other benefits suffered as a result of the discrimination against him;
- offer an employee and those former workers whom it had unlawfully refused to rehire immediate and full reemployment in the positions for which they would have been hired but for the respondent's unlawful discrimination, or, if these positions no longer exist, to substantially equivalent positions at the respondent's Greeley, Colorado, plant;
- make each of them, as well as those former workers whom it has unlawfully delayed in rehiring, whole for any loss of earnings and other benefits resulting from the discrimination against them, and place on a preferential hiring list all remaining discriminatees who would have been hired but for the lack of available jobs;
- on request of the union made within 1 year of the issuance of the order here, make available to the union without delay a list of names and addresses of all workers employed at the Greeley, Colorado, plant at the time of the request;
- immediately on request of the union, for a period of 2 years from the date on which the notice is posted or until the regional director has issued an appropriate certification following a fair and free election, whichever comes first, grant the union and its representatives reasonable access to the Greeley, Colorado, plant bulletin boards and all places where notices to workers are customarily posted;
- immediately on request of the union, for a period of 2 years from the date on which the notice is posted or until the regional director has issued an appropriate certification following a fair and free election, whichever comes first, permit a reasonable number of union representatives access for reasonable periods of time to nonwork areas within its Greeley, Colorado, plant so that the union may present its views on unionization to the workers, orally and in writing, in such areas during changes of shift, breaks, mealtimes, or other nonwork periods;

- in the event that during a period of 2 years following the date on which the notice is posted, or until the regional director has issued an appropriate certification following a fair and free election, whichever comes first, any supervisor or agent of the employer convenes any group of workers at the employer's Greeley, Colorado, plant and addresses them on the question of union representation, give the union reasonable notice thereof and afford two union representatives a reasonable opportunity to be present at such speech and, on request, give one of them equal time and facilities to address the workers on the question of union representation;
- in any election which the Board may schedule at the employer's Greeley, Colorado, plant within a period of 2 years following the date on which the notice is posted and in which the union is a participant, permit, on request by the union, at least two union representatives reasonable access to the plant and appropriate facilities to deliver a 30-minute speech to workers on working time, the date thereof not to be more than 10 working days but not less than 48 hours before any such election; and
- it is further ordered that the election conducted on June 24, 1983, be set aside.

**Overnite
Transportation
Company
(09CA27618)**

The firm's headquarters is in Richmond, Virginia. The violations occurred at a facility in Lexington, Kentucky.

Contract Characteristics

The employer is engaged in the interstate transportation of freight. Sixty-four percent of its \$14.6 million in fiscal year 1993 federal contract dollars (\$9.3 million) are with the Department of Agriculture. These contract dollars went to its parent firm, Union Pacific Corporation.

Violations

The firm violated section 8(a) (1) and (3) of NLRA. The firm discharged three workers for their union organizing activities and took numerous unlawful actions to discourage employees from union activity, including "coercively" interrogating employees.

The firm

- told workers it thought the union had a "plant" in the terminal and that the employer thought it was a certain named employee, creating the

impression among workers that their concerted organizing activities were under surveillance;

- asked workers who the “plant” was and which workers were supporting the union;
- told workers it wanted to know who the “plant” was so it could get rid of him;
- asked workers to keep their eyes and ears open and report any workers engaged in distributing leaflets to management immediately;
- told workers if union organizers came in the gate, to close the gate, so employer could have them arrested, the employer manifested animus toward the union by restraining and coercing workers in the exercise of their protected rights;
- told workers it was okay for them to “beat the hell” out of the union organizers;
- told workers the employer had an open door policy, that they did not need a union;
- told workers that its unionized plants did not have a contract, tending to make its workers believe unionization was futile;
- told workers top management said that if the workers selected the union, employer would close its doors; and
- discriminatorily discharged three workers for leading union organizing activities.

Remedies

The firm was ordered to

- offer to recall the three workers for immediate and full reinstatement to their former jobs and make them whole, with interest, for any loss of earnings or benefits they may have suffered as a result of their discharge.

**Tyson Foods, Inc.
(26CA14731)**

The firm’s headquarters is in Springdale, Arkansas. The violations occurred at its facility within the same state in the city of Dardanelle.

Contract Characteristics

The firm is engaged in the processing of poultry products. Eighty-one percent of its \$10.8 million in fiscal year 1993 federal contract dollars (\$8.8 million) are for the Department of Agriculture.

Violations

This firm violated section 8(a)(1) and (5) of NLRA. The firm took numerous unlawful actions to discourage employees from union activity, including

assisting a decertification drive in which the firm withdrew recognition of the union and unilaterally implemented changes in wages and working conditions. At this time, workers were threatened, interrogated, and solicited for their signatures on a decertification petition.

The firm

- directed, controlled, circulated, and assisted in the circulation of a decertification petition;
- promised workers wage increases, bonuses, and other benefits if the workers would decertify the union;
- threatened workers with the loss of wage increases, bonuses, and other benefits if the workers did not decertify the union;
- while engaged in the training of new workers, told these workers that the union could do no more for them than the employer and thus discouraged support for the union and encouraged bypassing the union and dealing directly with the company;
- surveyed and interrogated workers concerning their union sympathies and preferences by observing them as they were solicited by employer's agent for their signatures on a decertification petition;
- failed and refused to bargain with the union as the exclusive collective-bargaining representative of its workers in the above-noted unit;
- withdrew recognition of the union as the exclusive collective-bargaining representative of its workers;
- unilaterally implemented the following changes in wages and working conditions: instituting a performance bonus of between 2 and 3-1/2 percent; implementing a wage increase; and increasing shift premiums;
- unilaterally implemented a new attendance policy and a new service award and attendance award program;
- refused to furnish the union with information which it requested; and
- interfered with workers discussing union business on nonwork time in nonwork areas.

Remedies

The firm was ordered to

- recognize and, on request, bargain with the union as the exclusive representative of the workers concerning terms and conditions of employment and, if an understanding is reached, embody the understanding in a signed agreement;

Appendix IV
Case Summaries of 15 Firms With More
Serious Labor Violations

- on request of the union, rescind any or all of the changes it has unilaterally implemented on or after the date it unlawfully withdrew recognition from the union, including, but not limited to, a performance bonus of between 2 and 3-1/2 percent, a wage increase, an increased shift premium, a new attendance policy, and a new service award and attendance award program; and
- furnish the union information it requested in its letter of July 9, 1991, and, on request, furnish the union any other necessary and relevant information which it may request in furtherance of its role as bargaining representative of the workers.

**Urserly Companies,
Inc.**
(34CA05756)

The firm's headquarters is in Cheshire, Connecticut. The violations occurred in the same state in the city of Windsor-Locks.

Contract Characteristics

The firm was under contract to perform janitorial services for United Technologies Corporation at its Hamilton-Standard Division plant. Eighty-two percent of its \$512,000 in fiscal year 1993 federal contract dollars (\$421,000) are with the Department of Defense to provide janitorial services.

Violations

The firm violated section 8(a)(1) and (3) of NLRA. The firm discharged three employees because of their support for the union. Also, the firm took numerous unlawful actions against employees during an organizing campaign. At the time of these discharges, only one challenged ballot was blocking the union's certification as bargaining representative.

The firm

- coercively interrogated workers as to their support for the union;
- threatened to discharge workers to discourage them from supporting the union;
- threatened to freeze their wages to induce them to vote against the union;
- warned them that its records could be changed to facilitate their discharge if they continued to support the union;
- created the impression among them that their union activities were being kept under surveillance;
- informed them in effect that it was futile for them to support the union;

- warned them that they were gambling with their jobs if they voted for the union;
- discharged three workers because they supported the union; and
- refused to grant permission to an employee to leave the Hamilton-Standard plant because the employee supported the union.

Remedies

The firm was ordered to

- offer the above three workers immediate and full reinstatement to their former jobs or, if those jobs no longer exist, to substantially equivalent positions, and make them whole for any loss of earnings and other benefits suffered as a result of the discrimination against them.

Victorian Heights
Health Care Center
(34CA06079)

The firm's headquarters is in Manchester, Connecticut, also where the violations occurred.

Contract Characteristics

This firm operates three nursing homes which provide inpatient medical and professional care services for the elderly and infirm. All of its \$14,000 in fiscal year 1993 federal contract dollars are to the Department of Veterans Affairs to provide nursing home care. These contract dollars went to its parent firm, Health Care Retirement Corp. Amer. Its current parent firm is Health Care Facilities.

Violations

The firm violated section 8(a)(1)(3) and (5) of NLRA. The firm took numerous unlawful actions to discourage union activity, including refusing to hire one employee and denying another employee a wage increase because of their union activities. The firm also threatened employees with changes in the terms and conditions of employment because of their union membership.

The firm

- changed its practice of granting wage increases to its licensed practical nurses without prior notice to the union and without affording the union an opportunity to bargain with employer with respect to this conduct and the effects of this conduct;

- removed work from its therapeutic recreational directors without prior notice to the union and without affording the union an opportunity to bargain with employer with respect to this conduct and the effects of this conduct;
- bypassed the union and dealt directly with its therapeutic recreational directors regarding hours and other terms and conditions of employment;
- interrogated workers regarding their membership in the union;
- threatened its workers with unspecified reprisals because of their membership in or activities on behalf of the union;
- threatened workers with changes in their terms and conditions of employment because of their membership in or activities on behalf of the union;
- created the impression among its workers that their activities on behalf of the union were under surveillance;
- solicited employee complaints and grievances in order to discourage its workers' membership in, or activities on behalf of the union;
- promised its workers increased benefits and improvements in the terms and conditions of employment in order to discourage their membership in, or activities on behalf of the union;
- informed an employee that she could not be hired because of her membership in, or activities on behalf of the union;
- conditioned this employee's employment upon refraining from membership in, or activities on behalf of the union;
- threatened this employee with surveillance if she became a member of or engaged in activities on behalf of the union; and
- constructively discharged this employee because of her membership in or activities on behalf of the union.

Remedies

The firm was ordered to

- on request, bargain in good faith with the union concerning removing unit work from its therapeutic recreational directors, wages, hours and other conditions of employment of its therapeutic recreational directors, and the granting of wage increases to its licensed practical nurses;
- make the employee whole for any difference between her initial 5-percent wage increase promised to her and based upon her annual appraisal, and the bonus granted to her in lieu of such 5-percent wage increase, for the period beginning the date she received her first bonus payment, until she quit her job in July 1993;
- offer to the employee the firm had refused to hire full and immediate reinstatement to the position of a licensed practical nurse or a

- substantially equivalent position, if such position no longer exists without prejudice to her seniority and other privileges previously enjoyed; and
- make this employee whole for any loss of earnings suffered by her as a result of the discrimination against her.

**Waste Management,
Inc. (Salt Lake
Division)
(27CA10940)**

The firm's headquarters is in Oak Brook, Illinois. The violations occurred in the West Jordan, Utah, area.

Contract Characteristics

The firm is engaged in the pickup and disposal of waste. Forty percent of its \$224.8 million in fiscal year 1993 federal contract dollars (\$90.2 million) are with the Department of Energy. These contract dollars went to its parent firm, WMX Technologies, Inc.

Violations

The firm violated section 8(a)(1)(2)(3) and (5) of NLRA. The firm discharged an employee and took numerous other unlawful actions to discourage union activity, including threatening employees with loss of current wages and benefits if the union were voted in. Also created employer-dominated committees during an organizing drive; then dissolved these committees after the union lost and filed objections to the election. The Board issued both a broad cease and desist order and a bargaining order because of "manifold violations of the Act, in combination with the union's card majority." The decision also refers to the "pervasive and serious nature of the employer's misconduct."

The firm

- failed and refused to recognize and bargain with the union;
- established and dealt with the routing and productivity, safety, and benefits committees concerning terms and conditions of employment;
- promulgated and announced the likely adoption in August of new programs initiated by the benefits and safety committees;
- announced that several new programs initiated by the benefits and safety committees were in effect;
- instituted several new programs initiated by the benefits and safety committees and adjusted the drivers' routes after conferring with the routing and productivity committee;

- retracted the new instituted programs initiated by the benefits and safety committees because the union filed objections to the election;
- issued a written warning to an employee and concomitantly deemed his hydrant accident chargeable, because of his union sympathies and activities;
- discharged the above employee and concomitantly deemed his wall-poke⁵⁴ as chargeable and accorded prejudicial weight to his landfill and windshield incidents, because of his union sympathies and activities;
- issued a written reprimand to an employee supposedly for insubordination, because of his union sympathies and activities;
- decided an employee's ice-related accident was chargeable because of his union sympathies and activities;
- promised workers that the employer would remedy their complaints if they rejected the union;
- told one employee he would lose existing wages and benefits, with restoration dependent upon negotiation, should the union be voted in and implied to this employee that the employer would close its doors, costing the workers their jobs, if the union got in;
- told one employee that the workers would lose existing wages and benefits "until they're negotiated for" should the union get in;
- said that employer "would risk ULPS to keep the union out," thereby indicating that the organizational effort was a futility;
- questioned an employee as to why he thought the workers needed a union;
- implicitly threatened the job security of workers not wishing to participate on the committees then being formed;
- promised through the three committees to remedy employee complaints to discourage their support of the union;
- promised to remedy the complaints of workers' wives—and by implication their husbands'—to discourage support for the union;
- questioned an employee as to whether the employer had his support in the election;
- promised an employee unspecified benefits if he voted against the union;
- questioned an employee why he had raised his hand at a picnic to indicate his support of the union;
- told workers, in substance, that union representation would be a futility;
- promised that their complaints would be remedied if they rejected the union; and raised the prospect of closure and job loss if they brought the union in;
- promised to remedy a complaint raised by an employee to discourage his support for the union; and

⁵⁴A fork on his truck poked a hole in a cinder-block wall.

- announced that the newly instituted programs emanating from the benefits and safety committees “couldn’t be put into effect” because the union had filed objections to the election; asked those with knowledge of the objections to show themselves; and urged those with “pull” to try to get the objections dropped so that employer could put these benefits in.

Remedies

The firm was ordered to

- recognize and, on request, bargain collectively in good faith with the union as the exclusive bargaining representative of the workers in the above-described unit and embody any resulting agreement in a signed document;
- offer an employee immediate and full reinstatement to his former job, or if that job no longer exists, to a substantially equivalent job;
- make the employee whole for any loss of earnings and benefits suffered as a result of his unlawful discharge;
- disband the benefits and safety committees created in July 1989;
- if requested by the union, reinstate any or all of the programs growing out of the benefits and safety committees which if instituted in August 1989, then retracted because of the objections; and, as concerns those programs reinstated, make the workers whole as prescribed above in the remedy section for any loss occasioned by the retractions;
- if requested by the union, restore the routes as they existed before it adjusted them in August 1989;
- rescind its written warning to an employee, as well as its determinations that his hydrant accident and wall-poke were chargeable, and its treatment of his landfill and windshield incidents, respectively, as added justification for his discharge; and
- rescind its written reprimand to an employee and its determination that his ice-related accident was chargeable;

Windsor Castle Health Care Facilities, Inc. (34CA4597)

The firm’s headquarters is in Boston, Massachusetts. The violations occurred in New Haven, Connecticut.

Contract Characteristics

This firm operates a nursing home providing inpatient medical and professional care services for the elderly and infirm. All of the fiscal year 1993 federal contract dollars (\$1.1 million) are with the Department of Veterans Affairs to provide nursing home care.

Violations⁵⁵

This firm violated section 8(a)(1), (2), and (3) of NLRA. The firm gave exclusive collective bargaining rights to one union to discourage membership in another. In addition, the firm threatened workers with unspecified reprisals and discharge if they refused to become members of the union endorsed by the employer. One employee was unlawfully discharged because of refusal to join the employer-supported union. The firm was issued a broad cease and desist order because of the "pervasive nature" of the violations.

The firm

- encouraged and supported agents of Local 1115 in that union's efforts to solicit membership in Local 1115;
- permitted Local 1115 to utilize the New Haven facility and employer's equipment to solicit membership in Local 1115;
- recognized and granted exclusive collective-bargaining rights to Local 1115;
- entered, maintained, and enforced a collective-bargaining agreement covering rates of pay, wages, hours of employment, and other terms and conditions of employment, including a union-security provision, of its workers in the unit hereinafter described when said union did not represent an uncoerced majority of the workers in the agreed-to unit of workers;
- discriminated, and is discriminating, in regard to the hire or tenure or terms or conditions of employment of its workers;
- discharged an employee because Local 1115 requested an employee's discharge for refusing to pay union dues pursuant to the union-security provision described in the first paragraph when the employee was under no obligation to do so, and because said employee refused to execute a dues-checkoff authorization on behalf of Local 1115 and refused to become and remain a member of Local 1115;
- interrogated its workers concerning their union membership, activities, and sympathies;
- interrogated its workers concerning the union membership, activities, and sympathies of their fellow workers;
- interrogated its workers as to the nature and substance of testimony to be given to the NLRB;
- threatened its workers with unspecified reprisals or discharge if they appeared and gave testimony at the NLRB or engaged in activities on behalf of District 1199; and

⁵⁵The U.S. Court of Appeals (2nd Circuit, Jan. 11, 1994) modified the Board's decision. This summary reflects the case after incorporating the Court of Appeals decision.

- threatened its workers with discharge if they refused to become a member and execute a dues-checkoff card on behalf of Local 1115.
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Remedies

The firm was ordered to

- withdraw and withhold all recognition from Local 1115 as the collective-bargaining representative of its workers at its New Haven, Connecticut, facility unless said labor organization has been duly certified by the NLRB as the exclusive representative of such workers;
- jointly and severally, with Local 1115 reimburse its past and present workers, for all dues and other money's withheld from their pay pursuant to the collective-bargaining agreement executed on October 16, 1989, or by any successor agreement thereto, plus interest;
- offer the worker immediate and full reinstatement to the worker's former position or, if that job no longer exists, to a substantially equivalent position; and
- jointly and severally, with Local 1115, make the worker whole for any loss of earnings the worker may have suffered as a result of the discharge.